

RESOLUTION NO. 120-2018

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA PROVIDING FOR THE ISSUANCE OF ITS GENERAL OBLIGATION BONDS (UNDERGROUND UTILITY PROJECT), SERIES 2018 IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$60,000,000, FOR THE PURPOSE OF FINANCING OR REFINANCING A PORTION OF THE COST OF THE UNDERGROUND UTILITY PROJECT, RETIRING THE TOWN'S OUTSTANDING PUBLIC IMPROVEMENT COMMERCIAL PAPER REVENUE NOTES, SERIES 2017 AND PAYING COSTS OF ISSUANCE; PROVIDING FOR REGISTRATION THROUGH A BOOK-ENTRY SYSTEM; APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT; ESTABLISHING CRITERIA FOR DETERMINING THE DATE, INTEREST RATES, PROVISIONS FOR REDEMPTION AND MATURITY SCHEDULE OF THE BONDS; AUTHORIZING THE TOWN MANAGER TO AWARD THE SALE OF THE BONDS TO THE UNDERWRITER ON A NEGOTIATED BASIS; PROVIDING COVENANTS AS TO CONTINUING DISCLOSURE; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND THE CONDITIONS AND CRITERIA OF SUCH SALE OR SALES; AUTHORIZING ALL PROPER OFFICIALS TO DO ALL THINGS NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Florida Statutes, the Town Charter of the Town and other applicable provisions of law, and a bond referendum approved on March 16, 2016, authorize and empower the Town of Palm Beach, Florida (the “Town”) to adopt this Resolution; and

WHEREAS, the Town Council of the Town of Palm Beach, Florida (the “Town Council”), by Resolution No. 201-2015, duly adopted on December 8, 2015 (the “Referendum Resolution”), did propose the issuance of general obligation bonds of the Town of Palm Beach, Florida (the “Town”), in the aggregate principal amount of not exceeding \$90,000,000 and pursuant to such Referendum Resolution, the Town Council ordered a Bond Referendum (the “Referendum”), to be held on March 15, 2016; and

WHEREAS, the Referendum was for the purpose of placing before the qualified electors of the Town, for their approval or disapproval, the question of whether the Town should issue general obligation bonds, in one or more series, in the aggregate principal amount of not exceeding ninety million dollars (\$90,000,000) to finance the cost of burying overhead utility lines located within the Town, including without limitation, electric, telephone and cable service, together with costs incidental thereto (the “Underground Utility Project”); as more fully described and defined in the Referendum Resolution; and

WHEREAS, notice of said Referendum was published, at least twice, in the PALM BEACH DAILY NEWS, a newspaper of general circulation published in the Town, and said publication having been made once in the fifth week and once in the third week prior to the week in which the Referendum was held with the first publication at least thirty days prior to the day on which the Referendum was held, to wit: March 15, 2016; and

WHEREAS, the qualified electors of the Town did, at the Referendum, approve by a majority vote the issuance of general obligation bonds for the purpose of financing the cost of acquiring, constructing, reconstructing and equipping of the Underground Utility Project in the hereinbefore described principal amounts; and

WHEREAS, in accordance with applicable Florida law, the returns of said Referendum have been provided to the Town Council and the Town Council has canvassed and declared the results thereof pursuant to Resolution No. 35-2016, duly adopted by the Town Council on April 12, 2016; and

WHEREAS, on December 20, 2017, the Town issued its Public Improvement Commercial Paper Revenue Notes, Series 2017 (the “Notes”) for the purpose of financing a portion of the Underground Utility Project; and

WHEREAS, in order for the Town Council to effectuate the decision of the electors of the Town, it is necessary for the Town Council to authorize the issuance of such general obligation bonds and to provide the terms including the rights, remedies and security for the registered holders of the Bonds and to make such other covenants and agreements as it deems necessary.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Constitution of the State of Florida, Chapter 166, Florida Statutes, the Town Charter of the Town, a bond referendum approved on March 15, 2016 by the qualified electors of the Town of Palm Beach, Florida, and other applicable provisions of law.

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms defined in this section and utilized in this Resolution shall have the meanings specified in this section. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

“Amortization Installment” shall mean, with respect to any Term Bonds, the amount of money required to be deposited into the Sinking Fund in a particular Bond year to pay the principal amount of such Term Bonds to be redeemed by mandatory redemption or paid at maturity in such Bond year.

“Bond Counsel” shall mean Locke Lord LLP and its successors and assigns and any other firm of attorneys with a proven reputation in the field of municipal finance law subsequently appointed by the Town to serve as the Town’s bond counsel.

“Bond Purchase Agreement” shall mean the Bond Purchase Agreement dated as of its date of execution between the Town and the Underwriter, in substantially the form attached hereto as Exhibit B.

“Bond Registrar” shall mean initially U.S. Bank National Association, or such other bank or trust company that shall hereafter be appointed by the Finance Director, to maintain the registration books of the Town and be responsible for the transfer and exchange of the Bonds, and which also may be the Paying Agent for the Bonds and interest thereon.

“Bonds” shall mean collectively the not to exceed \$60,000,000 aggregate principal amount of Town of Palm Beach, Florida General Obligation Bonds (Underground Utility Project), Series 2018.

“Federal Securities” shall mean, collectively, (i) direct obligations of, or obligations, the principal of and interest on which are unconditionally guaranteed by, the United States of

America, which are not redeemable prior to maturity at the option of the obligor; (ii) bank certificates of deposit fully secured as to principal and interest by the obligations described in (i); (iii) certificates evidencing ownership of portions of such obligations described in (i); (iv) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any state (a) which are not callable by the obligor prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in such notice, (b) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) hereof which have been deposited in such fund along with any cash on deposit in such fund is sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (iv) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (iv), as appropriate; and (v) interest on obligations of the Resolution Funding Corporation.

“Finance Director” shall mean the Director of Finance of the Town, or her designee, who shall also act as the Town’s designee to either serve as or to appoint a Bond Registrar and Paying Agent for the Bonds from time to time.

“Financial Advisor” shall mean, when used in connection with the Bonds, Public Financial Management, Inc., Orlando, Florida and its successors and assigns and any other entity subsequently appointed by the Town to serve as the Town’s financial advisor with respect to municipal bonds.

“Holder” or “Bondholder” or “Registered Owner” or any similar term shall mean any person who shall be the Registered Owner of any such Bond or Bonds, or his transferee.

“Paying Agent” shall mean initially U.S. Bank National Association and thereafter any authorized depository designated by the Finance Director to serve as Paying Agent or as the place of payment for the Bonds that shall have agreed to arrange for the timely payment of the principal of, interest on and redemption premium, if any, with respect to the Bonds to the owners thereof, from funds made available therefor by the Town.

“Preliminary Official Statement” shall mean the preliminary official statement relating to the Bonds in substantially the form attached hereto as Exhibit A.

“Record Date” shall mean the 15th day of the month immediately preceding an interest payment date for the Bonds.

“Referendum Resolution” shall mean Resolution No. 201-2015, duly adopted by the Town Council on December 8, 2015.

“Registered Owner” shall mean any person who shall be the owner of any outstanding Bond or Bonds as shown on the books of the Town maintained by the Bond Registrar.

“SEC” shall mean the U.S. Securities and Exchange Commission.

“Serial Bonds” shall mean Bonds of a series designated as such (other than Term Bonds) which mature in annual or semiannual installments.

“Sinking Fund Investments” shall mean any investment permitted by the Town’s Investment Policy, as amended.

“Term Bonds” shall mean Bonds of a series which shall either be stated to mature on one date or which are designated as Term Bonds in the Bond Purchase Agreement; Term Bonds may be subject to retirement in part in one or more Bond years prior to their maturity date by scheduled mandatory redemption with Amortization Installments.

“Underwriter” shall mean Citigroup Global Markets Inc. as underwriter of the Bonds.

“Underground Utility Project” shall mean the burying of overhead utility lines located within the Town, including without limitation, electric, telephone and cable service, together with costs incidental thereto, as more fully described and defined in the Referendum Resolution.

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

A. Whereas, the issuance of the Bonds as general obligation bonds of the Town for which the full faith and credit and taxing power of the Town are pledged is hereby authorized and approved. The Bonds shall be payable first from non-ad valorem special assessments imposed in connection with the Underground Utility Project pursuant to Chapter 90, Town Code of Ordinances, and, to the extent such non-ad valorem special assessments are insufficient to pay debt service or not assessed, ad valorem taxes levied and collected in the Town (without limitation as to rate or amount) on all taxable property in the Town sufficient to pay principal of and interest on such Bonds as the same become due and payable. The Town may apply other legally available sources of revenues, including particularly, those revenues relating to the Underground Utility Project, to the payment of the Bonds. All resolutions and proceedings required preliminary to the adoption of this Resolution have been adopted and/or followed.

B. The Bonds were previously approved by a majority of the qualified voters voting in a referendum held for that purpose and are therefore general obligation bonds of the Town, the payment for which the full faith and credit and taxing power of the Town will be pledged.

C. That, for the purpose of providing funds to finance or refinance a portion of the cost of acquiring, constructing, reconstructing and equipping of the Underground Utility Project, and other costs, necessary or incidental thereto, there shall be issued the Bonds in one or more series in the aggregate principal amount of not exceeding Sixty Million Dollars (\$60,000,000). Such cost shall include but not be limited to all costs incurred in connection with the acquisition, construction, reconstruction and equipping of the Underground Utility Project, the costs of issuing the Bonds, legal, appraisal, engineering, architectural fees, fees of financial consultants or advisors, the repayment to the Town of moneys heretofore advanced for such purposes, retirement of the Notes, and any other fees or expenses in connection with financing the costs of the Underground Utility Project and the issuance of the Bonds authorized herein to finance such Underground Utility Project.

D. The Bonds shall be payable first from non-ad valorem special assessments imposed in connection with the Underground Utility Project pursuant to Chapter 90, Town Code of Ordinances, and, to the extent such non-ad valorem special assessments are insufficient to pay debt service or not assessed, ad valorem taxes levied and collected in the Town (without limitation as to rate or amount) on all taxable property in the Town sufficient to pay principal of and interest on such Bonds as the same become due and payable. The Town may apply other legally available sources of revenues, including particularly, those revenues relating to the Underground Utility Project, to the payment of the Bonds.

E. The costs associated with issuing the Bonds shall be deemed to include legal expenses, fiscal expenses, rating agency fees, accounting expenses, costs of printing, fees of the Financial Advisor, provisions for reserves, if any, and such other expenses as may be necessary or incidental for the financing herein authorized, including Underwriter's discount.

F. On August 11, 2015, the Town Council duly adopted Resolution No. 117-2015 declaring the Town's official intent to seek reimbursement for expenditures made with respect to the Underground Utility Project for purposes of U.S. Treasury Regulation §1.150-2(e).

G. Pursuant to Section 218.385 of the Florida Statutes, as amended, the Town has determined that the offering of the Bonds pursuant to a negotiated sale rather than a public sale by competitive bid is in the best interests of the Town in light of the complex nature of the security for the Bonds.

SECTION 4. THIS RESOLUTION TO CONSTITUTE A CONTRACT. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Town and the Registered Owners of the Bonds. The covenants and agreements herein set forth to be performed by the Town shall be for the equal benefit, protection and security of the owners of any and all of the Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein.

SECTION 5. AUTHORIZATION OF BONDS. Subject and pursuant to the provisions hereof, the Bonds are authorized to be issued in the aggregate principal amount of not exceeding \$60,000,000, and shall be designated "Town of Palm Beach, Florida, General Obligation Bonds (Underground Utility Project), Series 2018," or such other appropriate designation or

designations as shall be determined by the Finance Director after consultation with the Town Attorney and Bond Counsel. The Bonds are authorized to be issued in one or more series with appropriate designations for the purposes of: (i) financing or refinancing a portion of the cost of acquiring, constructing, reconstructing and equipping of the Underground Utility Project, (ii) retiring the Notes, and (iii) paying the costs of issuance with respect to the Bonds. The Bonds shall mature no later than January 1, 2048. The Bonds shall be dated as of their date of delivery, or such other date as may be designated by the Finance Director.

SECTION 6. AUTHORIZATION OF BOND PURCHASE AGREEMENT. Subject to the parameters set forth in Section 5 above, the Town Manager is hereby authorized to award the sale of the Bonds provided the true interest cost rate on the Bonds does not exceed a maximum rate of 5.00% per annum. The Town Manager, upon the advice of the Finance Director and the Financial Advisor, is authorized to determine the terms of redemption, if any, to provide the best market acceptance of the Bonds, which provisions, if any, shall be set forth in the Bond Purchase Agreement.

Any Bonds issued as Term Bonds shall have such Amortization Installments and shall be subject to mandatory redemption at par prior to maturity from such Amortization Installments, all as shall be determined by the Town Manager, with the advice of the Finance Director and the Financial Advisor and shall be set forth in the Bond Purchase Agreement.

The Town hereby authorizes and approves the Bond Purchase Agreement in substantially the form attached as Exhibit B hereto. Upon compliance by the Underwriter with the requirements of Section 218.385(2) and (3), Florida Statutes, and Section 218.385(6), Florida Statutes, by filing the “truth-in-bonding statement” and the “disclosure statement” required by said statutory provisions, the Mayor or the Town Manager are each hereby authorized to execute

and deliver the Bond Purchase Agreement, substantially in the form of Exhibit B hereto with such changes, omissions, additions and filling in of the blanks as may be approved by the Town Manager, with the advice of Bond Counsel, but subject to the provisions hereof, and to award the Bonds to the Underwriter, provided that the Underwriter's discount shall not exceed 0.75% (three quarters of one percent) of the principal amount of the Bonds, not inclusive of original issue discount or costs of issuance. Execution and delivery by the Mayor or the Town Manager, as the case may be, of the Bond Purchase Agreement shall be conclusive evidence of approval by the Town of such changes, omissions, additions and filling in of blanks and the award of the Bonds to the Underwriter.

SECTION 7. DESCRIPTION OF BONDS. The Bonds shall be issued in fully registered form; may be Term Bonds and/or Serial Bonds and/or current interest bonds; shall be numbered; shall be in the denomination of \$5,000 each, or integral multiples thereof, or such other denominations as shall be approved by the Town Manager prior to the delivery of the Bonds; shall bear interest at such rate or rates not exceeding the maximum rate allowed by Florida law, the actual rate or rates for the Bonds to be set forth in the Bond Purchase Agreement within the parameters herein set forth in Section 6 hereof. The Bonds may have bifurcated maturities.

Each bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless authenticated on an interest payment date, in which case it shall bear interest from such interest payment date, or, unless authenticated prior to the first interest payment date, in which case it shall bear interest from its date; provided, however, that if at the time of authentication payment of any interest which is due and payable has not been made, such bond shall bear interest from the date to which interest shall have been paid.

The principal of and the interest and redemption premium, if any, on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The interest on the current interest bonds shall be payable by the Paying Agent on each interest payment date to the person appearing on the registration books of the Town hereinafter provided for as the registered Holder thereof, by wire transfer or check mailed to such registered Holder at his address as it appears on such registration books. Payment of the principal of the Bonds shall be made upon the presentation and surrender of such Bonds as the same shall become due and payable.

SECTION 8. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Town by, or bear the facsimile signature of, the Mayor or Town Council President and shall be countersigned and attested by, or bear the facsimile signature of, the Town Clerk or any deputy Town Clerk and a facsimile of the official seal of the Town shall be imprinted on the Bonds.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer has remained in office until such delivery. Any Bond may bear the facsimile signature of or may be signed by such persons who, at the actual time of the execution of such Bond, shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Bonds are hereby authorized to be executed and sealed as set forth in this Section 8 in accordance with the terms of this Resolution.

SECTION 9. AUTHENTICATION OF BONDS. Only such of the Bonds as shall have been endorsed thereon a certificate of authentication substantially in the form hereinbelow set forth, duly executed by the Bond Registrar, as authenticating agent, shall be entitled to any benefit or security under this Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Bond Registrar, and such certificate of the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The Bond Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication of all of the Bonds that may be issued hereunder at any one time.

SECTION 10. EXCHANGE OF BONDS. Subject to the provisions of Section 11 hereof regarding the use of the book-entry system, any Bond, upon surrender thereof to the Bond Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the Bondholder, be exchanged for an aggregate principal amount of Bonds equal to the principal amount of the Bond or Bonds so surrendered. The Bond Registrar shall make provision for the exchange of Bonds at the designated corporate trust office of the Bond Registrar.

SECTION 11. DTC BOOK ENTRY; NEGOTIABILITY, REGISTRATION AND TRANSFER OF BONDS. The Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each interest rate of each of the maturities of the Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of The Depository

Trust Company (“DTC”). As long as the Bonds shall be registered in the name of Cede & Co., all payments of principal on the Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Bonds.

With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the Town, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any participant in the DTC book-entry program (a “Participant”) or to any indirect participant. Without limiting the immediately preceding sentence, the Town, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (B) the delivery to any Participant or any other person other than a Bondholder, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant or any other person, other than a Bondholder, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal, interest or redemption premium, if any, of the Bonds. The Town, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the Holder and absolute owner of such Bond for the purpose of payment of principal, interest or redemption premium, if any, with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal, interest or redemption premium, if any, of the Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in

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

Upon (A) receipt by the Town of written notice from DTC (i) to the effect that a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Town that such book-entry only system is burdensome to the Town, the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions hereof. In such event, the Town shall issue and the Bond Registrar shall authenticate, transfer and exchange Bonds consistent with the terms hereof, in

denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the blanket letter of representation executed previously by the Town and delivered to DTC in order to induce DTC to act as securities depository for the Bonds shall apply to the payment of principal, interest and redemption premium, if any, on the Bonds.

The Bond Registrar shall keep books for the registration of and for the registration of transfers of Bonds as provided in this Resolution. The transfer of any Bonds may be registered only upon such books and only upon surrender thereof to the Bond Registrar together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar.

Subject to the foregoing provisions regarding the book-entry system of registration, in all cases in which Bonds shall be exchanged, the Town shall execute and the Bond Registrar shall authenticate and deliver, at the earliest practicable time, a new Bond or Bonds of the same type in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The Town or the Bond Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to any Bondholder for the privilege of exchanging or registering the transfer of Bonds under the provisions of this Resolution. Neither the Town nor the Bond Registrar shall be required to make any such exchange or registration of transfer of Bonds on or subsequent to the Record Date prior to the next interest payment date.

The Bonds issued hereunder shall be and shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive Registered Owner, in accepting any of the Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

SECTION 12. OWNERSHIP OF BONDS. The Town and the Bond Registrar may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary. Payment of or on account of the principal or redemption price of any such Bond, and the interest on any such Bond, shall be made only to or upon the order of the Registered Owner thereto or his legal representative. Interest on the Bonds shall be paid to the Registered Owner whose name appears on the books of the Bond Registrar on the Record Date. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the premium, if any, and interest thereon to the extent of the sum or sums so paid. The person in whose name any Bond is registered may be deemed the Registered Owner thereof by the Town and the Bond Registrar, and any notice to the contrary shall not be binding upon the Town or the Bond Registrar.

Notwithstanding the foregoing provisions of this section, the Town reserves the right, on or prior to the delivery of the Bonds, to amend or modify the foregoing provisions relating to registration of the Bonds in order to comply with all applicable laws, rules and regulations of the United States and/or the State of Florida relating thereto.

SECTION 13. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. Subject to the provisions regarding the book-entry system of registration, in case any Bond shall become

mutilated, or be destroyed, stolen or lost, the Town may in its discretion cause to be executed, and the Bond Registrar shall authenticate and deliver, a new Bond of like date and tenor as the Bond so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Town and the Bond Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Town and the Bond Registrar may prescribe and paying such expenses as the Town and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same, upon the Town and Bond Registrar being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the Town whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds 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 Bonds issued hereunder.

SECTION 14. FORM OF BONDS. The text of the Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized and permitted by this Resolution or by any subsequent resolution adopted prior to the issuance thereof:

[FORM OF BOND]

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF FLORIDA
TOWN OF PALM BEACH
GENERAL OBLIGATION BOND
(UNDERGROUND UTILITY PROJECT)
SERIES 2018

INTEREST
RATE

MATURITY
DATE

DATE OF
ORIGINAL ISSUE

CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL:

The Town of Palm Beach, Florida (the “Town”), for value received, hereby promises to pay to the Registered Owner designated above, or registered assignees, on the Maturity Date specified above, the principal sum shown above, upon the presentation and surrender hereof at the office of _____, acting as the paying agent and bond registrar (collectively, the “Bond Registrar”), and to pay interest thereon from the date of this bond or from the most recent interest payment date to which interest has been paid, whichever is applicable, until payment of such sum, at the rate per annum set forth above, payable on _____ 1, 20__, and semiannually thereafter on the first day of [January] and the first day of [July] of each year, by check or draft mailed to the Registered Owner at his address as it appears on the registration books on the 15th day of the month preceding the applicable interest payment date. Both

principal of and interest on this bond are payable in lawful money of the United States of America.

This bond is one of an authorized issue of bonds, in the aggregate principal amount of \$ _____ issued to finance or refinance a portion of the cost of the Underground Utility Project and costs of issuance, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Florida Statutes, the Town Charter of the Town and other applicable provisions of law, and a bond referendum approved on March 16, 2016. This bond is issued pursuant to a resolution duly adopted by the Town on August 15, 2018 (the “Resolution”), and is subject to all the terms and conditions of such Resolution. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Resolution.

This bond is one of an authorized issue of general obligation bonds of the Town for which the full faith and credit and taxing power of the Town are pledged. The bonds shall be payable first from non-ad valorem special assessments imposed in connection with the Underground Utility Project pursuant to Chapter 90, Town Code of Ordinances, and, to the extent such non-ad valorem special assessments are insufficient to pay debt service or not assessed, ad valorem taxes levied and collected in the Town (without limitation as to rate or amount) on all taxable property in the Town sufficient to pay principal of and interest on the bonds as the same become due and payable. The Town may apply other legally available sources of revenues, including particularly, those revenues relating to the Underground Utility Project, to the payment of the bonds.

[insert redemption provisions]

This bond may be transferred only upon the books of the Town kept by the Bond Registrar upon surrender hereof to the Bond Registrar with an assignment duly executed by the Registered Owner or his duly authorized attorney, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Resolution, and upon surrender and cancellation of this bond. Upon any such transfer, there shall be executed in the name of the transferee, and the Bond Registrar shall deliver, a new fully registered bond or bonds in authorized denominations and in the same aggregate principal amount, series, maturity and interest rate as this bond.

In like manner, subject to such conditions and upon the payment of such charges, if any, the Registered Owner of this bond may surrender the same (together with a written authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of fully registered bonds in authorized denominations of the same series, maturity and interest rate as this bond.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

It is hereby certified and recited that all acts, conditions and things required to happen, to exist, and to be performed, precedent to and in the issuance of this bond, have happened, exist, and have been performed in due time, form and manner as required by the Constitution and laws of the State of Florida applicable thereto; that this bond has been approved at a bond election held in accordance with the Constitution and Statutes of the State of Florida.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Bond Registrar.

IN WITNESS WHEREOF, Town of Palm Beach, Florida, has issued this bond and has caused the same to be signed by the manual or facsimile signature of the Mayor [Town Council President] and the corporate seal of the Town, or a facsimile thereof, to be affixed or reproduced hereon, and attested and countersigned by the manual or facsimile signature of the Town Clerk, all as of the ____ day of _____, 2018.

(SEAL)

TOWN OF PALM BEACH, FLORIDA

By: _____
Title: Mayor

ATTESTED:

By: _____
Title: Town Clerk

CERTIFICATE OF AUTHENTICATION OF BOND REGISTRAR

This bond is one of the bonds of the issue described in the Resolution.

U.S. BANK NATIONAL ASSOCIATION
As Bond Registrar

By: _____
Authorized Signature

Date of Authentication

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

TEN COM - as tenants in
common

UNIF GIF MIN ACT - _____
(Cust.)

TEN ENT - as tenants by the
entireties

Custodian for _____
(Minor)

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

under Uniform Gifts to Minors Act
of _____
(State)

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

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to
PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF
ASSIGNEE

the within bond and does hereby irrevocably constitute and appoint _____ as his agent to
transfer the bond on the books kept for registration thereof, with full power of substitution in the
premises.

Dated:

Signature guaranteed:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The signature to this assignment
must correspond with the name of the
registered owner as it appears upon the face
of the within bond in every particular,
without alteration or enlargement or any
change whatever.

* * * END OF BOND FORM * * *

SECTION 15. OFFERING OF BONDS. The Town Manager upon advice of the Finance Director and the Financial Advisor is hereby authorized to prepare, mail and post (or cause to be prepared, mailed and posted) the Preliminary Official Statement, substantially in the form attached hereto as Exhibit A. At closing, the appropriate officers of the Town are authorized and directed to furnish a certificate to the effect that the Preliminary Official Statement did not as of its date and does not contain any untrue statement or omission of a material fact, except for “permitted omissions,” as defined in SEC Rule 15c2-12 (the “Rule”). The Town Manager is authorized to deem final the Preliminary Official Statement prepared pursuant to this section for purposes of the Rule. The Town Manager is authorized to deliver a certificate to the Underwriter indicating compliance with the Rule. The Town shall provide the Underwriter with a reasonable number of copies of the final Official Statement substantially in the form of the Preliminary Official Statement, with certain terms and conditions of the sale contained in the final Bond Purchase Agreement reflected in the final Official Statement. Upon sale of the Bonds, the Town Manager, upon advice of the Financial Advisor and Finance Director, is hereby authorized to execute an Official Statement and the Underwriter shall be responsible for distributing the Official Statement in accordance with the law and related rules and regulations. The Town Manager, the Finance Director and the Financial Advisor are hereby further authorized and directed to cooperate with requests for information received from the Underwriter. The Town Manager, upon advice of the Financial Advisor and Finance Director, is hereby authorized and directed to select a financial printer having a favorable reputation in the printing of a preliminary official statement and final official statement to serve as the printer of the Preliminary Official Statement and the final Official Statement, and the payment of such printer’s reasonable fees and expenses for such services is hereby authorized.

SECTION 16. CONTINUING DISCLOSURE. A. The Town hereby agrees with the Underwriter of the Bonds issued hereunder, in accordance with the provisions of Rule 15c2-12 in effect from time to time and applicable to the Bonds (the “Rule”), promulgated by the Securities and Exchange Commission (“Commission”) pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided, to the Municipal Securities Rulemaking Board (“MSRB”) in an electronic format prescribed by the MSRB and such other municipal securities information repository as may be required by law or applicable regulation, from time to time (each such information repository, a “MSIR”), within 180 days following the end of each Fiscal Year of the Town, commencing with the Fiscal Year ending September 30, 2018, annual financial information and operating data concerning the Town, consistent with the financial information and operating data referenced below included in the official statement prepared with respect to the Bonds, and, if not included with the annual financial information, then, when and if available, audited financial statements prepared in accordance with generally accepted accounting principles applicable to the Town. If audited financial statements are not available at the time of required filings as set forth above, unaudited financial statements shall be filed pending the availability of audited financial statements. (The information required to be disclosed in this subsection A shall be referred to herein as the “Annual Report”). In connection with the annual financial information and operating data, consistent with the financial information and operating data included in the official statement prepared with respect to the Bonds, such information shall be deemed to include, but shall not be limited to (to the extent required by the Rule) the Town’s Comprehensive Annual Financial Report for the immediately preceding Fiscal Year.

The Town reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary

or appropriate in the judgment of the Town; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule.

B. The Town agrees to provide or cause to be provided to each MSIR in the appropriate format required by law or applicable regulation, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of holders of the Bonds, if material;

- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of any property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Town (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town);
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement

to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(xiv) the appointment of a successor or additional trustee or the change of name of a trustee, if material.

C. The Town agrees to provide or cause to be provided, in a timely manner, to each MSIR written notice of a failure by the Town to provide the Annual Report described in subsection A above on or prior to the date set forth therein.

D. The Town reserves the right to terminate its obligation to provide Annual Report and notices of material events, as set forth above, if and when the Town no longer remains an obligated person with respect to the Bonds within the meaning of the Rule (either by the payment, the redemption in full or legal defeasance of all such Bonds). If the Town believes such condition exists, the Town will provide notice of such termination to each MSIR. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

E. The Town agrees that its undertaking pursuant to the Rule set forth in this Section is intended to be for the benefit of the holders and beneficial owners of the Bonds and shall be enforceable by any holder or beneficial owner; provided that the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Town's obligations under this Section and any failure by the Town to comply with the provisions of this undertaking shall not be an event of default with respect to this Resolution or the Bonds.

F. Any voluntary inclusion by the Town of information in its annual report of supplemental information that is not required hereunder shall not expand the obligations of the Town hereunder and the Town shall have no obligation to update such supplemental information or include it in any subsequent report.

G. The covenants contained herein are solely for the benefit of the holders and beneficial owners of the Bonds and shall not create any rights in any other parties.

H. Notwithstanding any other provision of this Resolution, the Town may amend this Section and any provision of this Section may be waived, provided that the following conditions are satisfied:

(1) The amendment or waiver may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identify, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(2) The undertaking, as amended or taking into account such waiver would, in the opinion of Bond Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) The amendment or waiver does not materially impair the interests of holders and beneficial owners as determined either by parties unaffiliated with the Town or obligated person (such as bond counsel), or by an approving vote of holders pursuant to the terms of this Resolution.

In the event of any amendment or waiver of a provision of this section, the Town shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of annual financial information or operating data being presented by the Town. In addition, if the amendment or waiver relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in the same manner as set forth in subsection B and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 17. PROVISIONS FOR REDEMPTION. The Bonds may be subject to optional or mandatory redemption prior to their maturity as shall be set forth in the Bond Purchase Agreement.

To the extent the Bonds are subject to redemption, notice of such redemption shall be given by the Paying Agent, at least thirty (30) days prior to the redemption date, be filed with the Bond Registrar and mailed, first class mail, postage prepaid, to all Holders of the Bonds to be redeemed at their addresses as they appear on the registration books hereinbefore provided for, but failure to mail such notice to one or more Holders of the Bonds shall not affect the validity of the proceedings for such redemption with respect to Holders of the Bonds to which notice was duly mailed hereunder. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds of one maturity are to be called, the distinctive numbers of such Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Subject to the rules regarding the book-entry system of registration, upon surrender of any Bond for redemption in part only, the Bond Registrar shall authenticate and deliver to the Bondholder thereof, the cost of which shall be paid by the Town, a new Bond of an authorized denomination equal to the unredeemed portion of the Bond surrendered.

In addition to the foregoing notice, further notice shall be given by the Town as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given in the manner prescribed above.

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (a) the CUSIP numbers of all Bonds being redeemed; (b) the date of issue of the Bonds as originally issued; (c) the rate of interest borne by each Bond being redeemed; (d) the maturity date of each Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date by registered or certified mail or overnight delivery service to any bond insurer which shall have insured any of the Bonds being redeemed and as may be required by the Municipal Securities Rulemaking Board (MSRB) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

In the case of an optional redemption, the notice of redemption may state that (1) it is conditioned upon the deposit of moneys with the Paying Agent or with an escrow agent under an escrow deposit agreement, in amounts necessary to effect the redemption, no later than the redemption date or (2) the Town retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a “Conditional Redemption”), and such notice and

optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in this subsection. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Town delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded, or such moneys not so deposited, shall remain Outstanding, and neither the rescission nor the failure by the Town to make such moneys available shall constitute an event of default hereunder. The Town shall give notice as may be required by the MSRB and to one or more national information services that disseminate notices, and to the affected Bondholders, that the redemption did not occur and that the Bonds called for redemption and not so paid remain Outstanding.

SECTION 18. PLEDGE AND SECURITY. The Bonds are general obligation bonds of the Town for which the full faith and credit and taxing power of the Town are pledged. The Bonds shall be payable first from non-ad valorem special assessments imposed in connection with the Underground Utility Project pursuant to Chapter 90, Town Code of Ordinances, and, to the extent such non-ad valorem special assessments are insufficient to pay debt service or not assessed, ad valorem taxes levied and collected in the Town (without limitation as to rate or amount) on all taxable property in the Town sufficient to pay principal of and interest on such Bonds as the same become due and payable. The Town may apply other legally available sources of revenues, including particularly, those revenues relating to the Underground Utility Project, to the payment of the Bonds. The proceeds of such tax and/or non-ad valorem special assessments and/or other legally available sources of revenues, as the case may be, applied to the

payment of the Bonds will be deposited into a Sinking Fund, hereby created, to be held by the depository for the Town and administered by the Town solely for the purpose of paying the principal of and interest on the Bonds as they become due. Pending its use, money on deposit in the Sinking Fund may be invested in Sinking Fund Investments.

SECTION 19. APPLICATION OF PROCEEDS OF BONDS. All money received from the sale of the Bonds shall be applied by the Town as follows:

A. All accrued interest, if any, and interest to accrue on the series of the Bonds for such period shall be deposited into the Sinking Fund.

B. There is hereby created a special account to be designated the “Costs of Issuance Account” from which the Town shall pay all legal fees, fees of financial advisors and all other similar costs incurred in connection with the issuance of any of the Bonds. Moneys remaining on deposit in the Cost of Issuance Account six months after the delivery of any of the Bonds shall be transferred to the Sinking Fund and used as provided herein.

C. A sufficient portion of the proceeds of the Bonds shall be applied to the retirement of the Notes.

D. Any remaining moneys shall be deposited into the Project Fund and applied to the payment of the cost of the Underground Utility Project and, prior to such application, such moneys shall be invested in any investment permitted by the Town’s Investment Policy, as amended; provided, that such investments must mature or otherwise be available no later than the dates when moneys are needed to pay costs of the Underground Utility Project.

SECTION 20. DEFEASANCE. If, at any time, the Town shall have paid, or shall have made provision for payment of, the principal, interest and redemption premiums, if any, with respect to the Bonds, then, and in that event, the pledge of the special ad valorem tax levied on

all taxable property in the Town, in favor of the holders of the Bonds and any other funds pledged under this Resolution for the payment of the Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit of sufficient cash and/or Federal Securities in an irrevocable trust with a banking institution or trust company, for the sole benefit of the Bondholders, to make timely payment of the principal of, interest, and redemption premiums, if any, on the outstanding Bonds, shall be considered “provision for payment.”

SECTION 21. TAX COVENANT. No use will be made of the proceeds of the Bonds, which, if such use were reasonably expected on the date of issuance of the Bonds, would cause the same to be “arbitrage bonds” within the meaning of the Internal Revenue Code of 1986, as amended. The Town at all times while the Bonds and the interest thereon are outstanding will comply with the requirements of the Internal Revenue Code of 1986, as amended, and any valid and applicable rules and regulations promulgated thereunder necessary to maintain the exclusion of the interest on the Bonds from federal gross income including the creation of any rebate funds or other funds and/or accounts required in that regard.

The Town shall at all times do and perform all acts and things permitted by law and this Resolution which are necessary or desirable in order to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being excluded from gross income for federal income tax purposes.

The Town shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Code from amounts on deposit in the funds and accounts established in connection with the Bonds.

Notwithstanding any other provisions of this Resolution to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes, the covenants contained in this Section shall survive the payment of the Bonds and the interest thereon, including any payment or defeasance thereof.

SECTION 22. MODIFICATION OR AMENDMENT. No material adverse modification or amendment of this Resolution or of any resolution or ordinance amendatory hereof or supplemental hereto may be made without the consent in writing of the Registered Owners of 51% or more in aggregate principal amount of the Bonds then outstanding, or the Registered Owners of all the Bonds so affected; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon or in the amount of the principal obligation thereof or affecting the promise of the Town to pay the principal of and interest on the Bonds or sinking fund payments as the same shall become due or reduce the percentage of the Registered Owners required to consent to any material modification or amendment hereof, without the consent of the Registered Owners of all such Bonds.

SECTION 23. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions hereof or of the Bonds.

SECTION 24. FURTHER OFFICIAL ACTION. The Mayor, the Town Manager, Town Council President, the Finance Director, the Town Attorney and any other proper officials of the

Town are hereby authorized and directed to execute and deliver any and all documents, pleadings, tax returns and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution. In the event that the Mayor, the Town Manager, the Finance Director or the Town Attorney is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the Town. The Town Clerk or any deputy Town Clerk is hereby authorized and directed to affix and attest the official seal of the Town to any agreement or instrument authorized or approved herein that requires such a seal and attestation.

SECTION 25. REPEALING CLAUSE. All resolutions or parts thereof of the Town in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 26. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption this 15th day of August, 2018.

PASSED AND ADOPTED in a regular session on this ____ day of _____, 20__.

Gail L. Coniglio
Mayor

Danielle H. Moore
Town Council President

ATTEST:

Margaret Zeidman
Town Council President Pro Tem

Town Clerk

Julie Araskog
Town Council Member

Lew Crampton
Town Council Member

Bobbie Lindsay
Town Council Member

EXHIBIT A

FORM OF

PRELIMINARY OFFICIAL STATEMENT

EXHIBIT B

FORM OF

BOND PURCHASE AGREEMENT