RESOLUTION NO. 2021-24

A RESOLUTION OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AUTHORIZING THE ISSUANCE OF A FIRE EQUIPMENT REVENUE BOND, SERIES 2021, OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, IN THE AGGREGATE PRINCIPAL AMOUNT OF $750,000 FOR THE PURPOSE OF FINANCING THE PURCHASE OF A FIRE TRUCK AND PAYING COSTS OF ISSUANCE OF THE BOND; AWARDING THE SALE OF THE BOND TO KEY GOVERNMENT FINANCE, INC.; PROVIDING FOR SECURITY FOR THE BOND; PROVIDING OTHER PROVISIONS RELATING TO THE BOND; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on March 30, 2021, the Village Council (the "Council") of the Village of Key Biscayne (the "Village") adopted Ordinance No. 2021-04 (the "Ordinance") authorizing the issuance of a bond in the aggregate principal amount not exceeding $750,000 for the purpose of financing the purchase of a Pierce Enforcer PUC Pumper – 753 fire truck and related equipment (the "Project") and paying costs of issuance of the bond; and

WHEREAS, the Council desires to set forth the details of the bond in this Resolution;

WHEREAS, the Council hereby determines to accept a commitment from Key Government Finance, Inc. (the "Lender") to purchase the bond; and

WHEREAS, the Council desires to set forth the details of the bond in this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA:

SECTION 1. AUTHORIZATION OF BOND. Pursuant to the provisions of this Resolution and the Ordinance, a Fire Equipment Revenue Bond of the Village to be designated "Village of Key Biscayne, Florida Fire Equipment Revenue Bond, Series 2021" (the "Bond"), is hereby authorized to be issued in an aggregate principal amount of $750,000 for the purpose of financing and/or reimbursing the Village for costs of the Project and paying costs of issuance of the Bond.

SECTION 2. TERMS OF THE BOND.

(a) General Provisions. The Bond shall be issued in fully registered form without coupons. The principal of and interest on the Bond shall be payable when due in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered Owner of the Bond ("Owner") or its legal representatives at the address of the Owner as it appears on the registration books of the Village. Payments shall be made in immediately available funds by no later than 2:00 p.m., Eastern time, on the date due, free and clear

of any defenses, set-offs, counterclaims, or withholdings or deductions for taxes.

The Bond shall be dated the date of its issuance and delivery and shall be initially issued as one Bond in a denomination of $750,000. The Bond shall mature on October 1, 2030.

THE BOND SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE VILLAGE OR A PLEDGE OF THE FAITH AND CREDIT OF THE VILLAGE WITHIN THE MEANING OF ANY PROVISION OF THE CONSTITUTION OF THE STATE OF FLORIDA, BUT SHALL, INSTEAD, BE PAYABLE EXCLUSIVELY FROM LEGALLY AVAILABLE NON-AD VALOREM REVENUES OF THE VILLAGE, AS DEFINED IN THIS RESOLUTION. THE ISSUANCE OF THE BOND SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE VILLAGE TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR NOR SHALL THE BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE VILLAGE, AND THE OWNER OF THE BOND SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION.

(b) Interest Rate. Subject to adjustment as provided below, the Bond shall bear interest on the outstanding principal balance from its date of issuance payable semiannually on each April 1 and October 1 (the "Interest Payment Dates"), commencing October 1, 2021, at an interest rate equal to 1.764% per annum.

Interest on the Bond shall be computed on the basis of a 360-day year consisting of twelve (12) thirty-day months for the actual number of days elapsed.

Adjustment of Interest Rate for Taxability. Upon a Determination of Taxability (as defined below), the rate of interest on the Bond shall be adjusted upward to 2.233% per annum (the "Taxable Rate"), retroactive as of the date of the Determination of Taxability event. In addition to the payments of principal and interest on the Bond required to be paid pursuant to the terms of this Resolution and the Bond, the Village hereby agrees to pay to the Owner an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the of the Internal Revenue Code of 1986, as amended (the "Code")) owed by the Owner as a result of the occurrence of a Determination of Taxability. All such interest, penalties on overdue interest, and additions to tax shall be paid by the Village on the next succeeding Interest Payment Date following the Determination of Taxability. A "Determination of Taxability" shall mean a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that interest paid or payable on any Bond is or was includable in the gross income of the Owner of the Bond for Federal income tax purposes; provided, that no such decree, judgment, or action will be considered final for this purpose, however, unless the Village has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Owner of a Bond, and until the conclusion of any appellate review, if sought.

(c) Prepayment Provisions.

(i) Mandatory Prepayment. The principal of the Bond shall be subject to mandatory prepayment in annual installments on each October 1, commencing October 1, 2021, in the amounts set forth in the Amortization Schedule attached to the Bond.

(ii) Optional Prepayment. The Bond is subject to optional prepayment in whole but not in part at any time on or after the first anniversary date of the issuance of the Bond, upon thirty (30) days written notice to the Owner specifying the principal amount to be prepaid and the date of such prepayment, at a price of par plus accrued interest to the date of prepayment, without penalty or premium.

SECTION 3. EXECUTION OF BOND. The Bond shall be signed in the name of the Village by the Mayor or Vice Mayor (or, in their absence, any other member of the Village Council) and the Village Clerk, and its seal shall be affixed thereto or imprinted or reproduced thereon. The signatures of the Mayor or Vice Mayor (or, in their absence, any other member of the Village Council) and Village Clerk on the Bond may be manual or facsimile signatures, provided that the signature of one of such officers shall be a manual signature. In case any one or more of the officers who shall have signed or sealed the Bond shall cease to be such officer of the Village before the Bond so signed and sealed shall have been actually sold and delivered, such Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed and sealed such Bond had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Village by such person as at the actual time of the execution of such Bond shall hold the proper office, although at the date of such Bond such person may not have held such office or may not have been so authorized.

SECTION 4. NEGOTIABILITY, REGISTRATION AND CANCELLATION. The Village shall serve as Registrar and as such shall keep books for the registration of Bond and for the registration of transfers of the Bond. The Bond may be transferred or exchanged in whole upon the registration books kept by the Village, upon delivery to the Village, together with written instructions as to the details of the transfer or exchange, of such Bond in form satisfactory to the Village and with guaranty of signatures satisfactory to the Village, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. The Bond may be exchanged for a Bond of the same aggregate principal amount and maturity. No transfer or exchange of the Bond shall be effective until entered on the registration books maintained by the Village.

The Village may deem and treat the person in whose name the Bond shall be registered upon the books kept by the Village as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as it becomes due and for all other purposes. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

In all cases in which a Bond is transferred or exchanged in accordance with this Section, the Village shall execute and deliver a Bond in accordance with the provisions of this Resolution. The Bond surrendered in any such exchanges or transfers shall forthwith be cancelled by the Village.

There shall be no charge for any such exchange or transfer of the Bond, but the Village may require the payment of a sum sufficient to pay any third party tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The Village shall not be required to transfer or exchange the Bond for a period of 15 days next preceding an Interest Payment Date on such Bond.

The Bond, the principal of and interest on which have been fully paid, either at or prior to maturity, shall be delivered to the Village when such payment is made, and shall thereupon be cancelled.

In case a portion but not all of the Bond shall be prepaid pursuant to mandatory prepayment provisions, such Bond shall not be surrendered in exchange for a new Bond, but the Village shall make a notation indicating the remaining outstanding principal of the Bond upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

SECTION 5. BOND MUTILATED, DESTROYED, STOLEN OR LOST. In case the Bond shall become mutilated or be destroyed, stolen or lost, the Village may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in the case of a mutilated Bond, in exchange and substitution for such mutilated Bond upon surrender of such mutilated Bond or in the case of a destroyed, stolen or lost Bond in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Owner furnishing the Village proof of the Owner's ownership thereof, reasonably satisfactory proof of loss or destruction thereof and reasonably satisfactory indemnity, complying with such other reasonable regulations and conditions as the Village may prescribe and paying such expenses as the Village may incur. The Village shall cancel all mutilated Bonds that are surrendered. If any mutilated, destroyed, lost or stolen Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Village may pay the principal of and interest on such Bond upon the Owner complying with the requirements of this paragraph.

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

SECTION 6. FORM OF BOND. The text of the Bond shall be of substantially the tenor set forth in Exhibit "A" hereto, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Resolution.

SECTION 7. COVENANT TO BUDGET AND APPROPRIATE. The Village hereby covenants and agrees to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues (as defined in this Section) lawfully available in each fiscal year of the Village, amounts sufficient to pay the principal and interest due on the Bond in accordance with its terms and to pay all required deposits to the Rebate Fund (as defined in Section 12) pursuant to Section 12. "Non-Ad Valorem Revenues" means all revenues of the Village derived from any source other than

ad valorem taxation on real or personal property and which are legally available to make the payments required under this Resolution, but only after provision has been made by the Village for the payment, to the extent are not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the Village and (b) all legally mandated services. Such covenant and agreement on the part of the Village to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the Village, the Village does not covenant to maintain any services or programs, now provided or maintained by the Village, which generate non-ad valorem revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor, except to the extent provided in Section 13 hereof, does it preclude the Village from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Village to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Bondholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of owners of other bonds of the Village secured in the same manner as the Bond. Such covenant to budget and appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available in the manner described herein Non-Ad Valorem Revenues and placing on the Village a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations under this Resolution, subject, however, in all respects to the terms of this Resolution and the restrictions of Section 166.241(3), Florida Statutes, which provides, in part, that the governing body of each municipality make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment, to the extent not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the Village and (b) all legally mandated services.

SECTION 8. BOND FUND. There is hereby created a fund entitled "Village of Key Biscayne, Florida Fire Equipment Revenue Bond, Series 2021 Bond Fund" (the "Bond Fund"). There shall be deposited into the Bond Fund no later than each date on which principal or interest is due sufficient amounts of Non-Ad Valorem Revenues as specified in Section 7 hereof which, together with the amounts already on deposit therein, will enable the Village to pay the principal of and interest on the Bond on each such date or other date when principal may be due. Moneys in the Bond Fund shall be applied on each such date to the payment of principal of and interest on the Bond coming due on each such date.

Subject to Section 11 hereof, funds in the Bond Fund may be invested in the following investments, maturing at or before the time such funds may be needed to pay principal of or interest on the Bond, to the extent such investments are legal for investment of municipal funds ("Authorized Investments"):

(a) The Local Government Surplus Funds Trust Fund;

(b) Negotiable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States Government at the then prevailing market price for such securities;

(c) Interest-bearing time deposits or savings accounts in banks organized under the laws of the State of Florida (the "State"), in national banks organized under the laws of the United States and doing business and situated in the State, in savings and loan associations which are under State supervision, or in federal savings and loan associations located in the State and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(d) Obligations of the federal farm credit banks; the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates; or the Federal Home Loan Bank or its district banks or obligations guaranteed by the Government National Mortgage Association;

(e) Obligations of the Federal National Mortgage Association, including Federal National Mortgage Association participation certificates and mortgage pass-through certificates guaranteed by the Federal National Mortgage Association;

(f) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to United States Government obligations and to repurchase agreements fully collateralized by such United States Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian; or

(g) Any other investments that at the time are legal investments for municipal funds and are permitted by the duly approved investment policy of the Village.

SECTION 9. APPLICATION OF BOND PROCEEDS.

The proceeds received upon the sale of the Bond shall be applied simultaneously with the delivery of the Bond, as follows:

1. An amount equal to $679,451 shall be applied to reimburse the Village for a portion of the costs of the Project made prior to the issuance of the Bond.

2. The remainder of the proceeds of the sale of the Bond ($70,549) shall be deposited in the "Village of Key Biscayne Fire Equipment Revenue Bond, Series 2021 Project Fund" (the "Project Fund"), hereby created, and used to pay additional costs of the Project and costs of issuance of the Bond.

Subject to Section 11 hereof, funds in the Project Fund may be invested in Authorized Investments maturing not later than the date or dates on which such proceeds will be needed for purposes of this Resolution.

Subject to Section 12 hereof, any income received upon such investment shall be retained in the Project Fund and applied to costs of the Project and costs of issuance of the Bond. Subject to Section 12 hereof, after the completion of the Project, any remaining balance in the Project Fund shall be deposited into the Bond Fund and used to pay debt service on the Bond on the next Interest Payment Date.

The Project Fund shall be kept separate and apart from all other funds of the Village and the moneys on deposit therein shall be withdrawn, used and applied by the Village solely for the purposes set forth herein. Pending such application, the Project Fund shall be subject to the lien of the Owner of the Bond for the payment of the principal of and interest on the Bond.

The registered Owner shall have no responsibility for the use of the proceeds of the Bond, and the use of such Bond proceeds by the Village shall in no way affect the rights of such registered Owner. The Village shall be obligated to apply the proceeds of the Bond solely as provided herein. However, the Village shall be irrevocably obligated to continue to pay the principal of and interest on the Bond notwithstanding any failure of the Village to use and apply such Bond proceeds in the manner provided herein.

SECTION 10. FUNDS. Each of the funds and accounts herein established and created shall constitute trust funds for the purposes provided herein for such funds and accounts respectively. The money in such funds and accounts shall be continuously secured in the same manner as deposits of Village funds are authorized to be secured by the laws of the State of Florida. Except as otherwise provided herein, earnings on any investments in any amounts on any of the funds and accounts herein established and created shall be credited to such respective fund or account.

The designation and establishment of the funds and accounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds, as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the Village for the purposes herein provided and to establish certain priorities for application of such revenues and assets.

SECTION 11. INVESTMENTS AND USE OF PROCEEDS TO COMPLY WITH INTERNAL REVENUE CODE OF 1986. The Village covenants to the Owner of the Bond that it will take all actions and do all things necessary and desirable in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bond, and shall refrain from taking any actions that would cause interest on the Bond to be included in gross income for federal income tax purposes. In particular, the Village will not make or direct the making of any investment or other use of the proceeds of the Bond which would cause such Bond to be a "private activity bond" as that term is defined in Section 141 (or any successor provision thereto) of the Code or an "arbitrage bond" as that term is defined in Section 148 (or any successor provision thereto) of the Code, and all applicable regulations promulgated under the Code, and that it will comply with the applicable

requirements of Sections 141 and 148 of the Code and the aforementioned regulations throughout the term of the Bond.

SECTION 12. ARBITRAGE REBATE COVENANTS. There is hereby created and established a fund to be held by the Village, designated the "Village of Key Biscayne Fire Equipment Revenue Bond, Series 2021 Rebate Fund" (the "Rebate Fund"). The Rebate Fund shall be held by the Village separate and apart from all other funds and accounts held by the Village under this Resolution and from all other moneys of the Village.

Notwithstanding anything in this Resolution to the contrary, the Village shall transfer to the Rebate Fund the amounts required to be transferred in order to comply with the Rebate Covenants, if any, attached as an Exhibit to the Arbitrage Certificate to be delivered by the Village on the date of delivery of the Bond (the "Rebate Covenants"), when such amounts are so required to be transferred. The Village Manager shall make or cause to be made payments from the Rebate Fund of amounts required to be deposited therein to the United States of America in the amounts and at the times required by the Rebate Covenants. The Village covenants for the benefit of the Owner of the Bond that it will comply with the Rebate Covenants. The Rebate Fund, together with all moneys and securities from time to time held therein and all investment earnings derived therefrom shall be excluded from the pledge and lien of this Resolution. The Village shall not be required to comply with the requirements of this Section 12 in the event that the Village obtains an opinion of nationally recognized bond counsel that (i) such compliance is not required in order to maintain the federal income tax exemption of interest on the Bond and/or (ii) compliance with some other requirement is necessary to maintain the federal income tax exemption of interest on the Bond.

SECTION 13. SPECIAL COVENANTS.

(a) The Village shall, while the Bond is outstanding, within two hundred seventy (270) days of the end of each fiscal year of the Village, deliver to the Owner (i) a copy of the annual audited financial statements of the Village for such fiscal year, certified by an independent certified public accountant to the effect that such audit has been conducted in accordance with generally accepted auditing standards and stating whether such financial statements present fairly in all material respects the financial position of the Village and the results of its operations and cash flows for the periods covered by the audit report, all in conformity with generally accepted accounting principles applied on a consistent basis and (ii) a copy of the Village's CAFR for the prior fiscal year of the Village, which shall include operating statistics of the Village for such fiscal year. If the audit or the CAFR has not been completed in the time period set forth above, a copy of the unaudited financial statements shall be provided to the Owner within such time period, and the annual audited financial statements and the CAFR shall be provided within thirty (30) days of availability. Such financial statements shall include a balance sheet and statement of revenues, expenditures and changes in fund balances, with comparative figures to the prior year and including a comparison of actual results to budgeted projections. The Village shall provide to the Owner such other financial reports that the Owner may reasonably request.

(b) The Bond is issued on a parity basis with the Village's $11,238,000 Capital Improvement Revenue Refunding Bond, Series 2021 (the "2021 Capital Improvement

Refunding Bond"). The Village represents and warrants that the 2021 Capital Improvement Refunding Bond is the only outstanding Debt obligation of the Village secured in the same manner as the Bond (as specified in Section 7 hereof).

(c) The Village hereby covenants that, so long as the Bond is outstanding, it shall maintain a Debt Service Coverage Ratio (hereinafter defined) equal to at least 1.20 to 1.

(d) The Village shall be permitted to issue additional Debt secured in the same manner as the Bond (as specified in Section 7 hereof), so long as on the date of issuance of such additional Debt the Debt Service Coverage Ratio for the most recently ended fiscal year of the Village for which audited financial statements are available is at least 1.20 to 1.

(e) "Debt Service Coverage Ratio" shall mean the ratio of (a) all Non-Ad Valorem Revenues (as defined in Section 7 hereof) of the Village in the most recently ended fiscal year of the Village for which audited financial statements are available plus any available cash balance in the General Fund, to (b) the maximum annual Debt Service coming due on the Bond and all other Debt of the Village secured in the same manner as the Bond (as specified in Section 7 hereof), in the then current or any future fiscal year, plus, for purposes of the calculation in (d) above only, the additional Debt..

(f) During each fiscal year that the Bond is outstanding, the total Debt of the Village, including amounts authorized but still not drawn down under existing loan agreements and other contractual arrangements with banks and other financial institutions, underwriters, brokers and/or intermediaries, shall not exceed the greater of:

(i) one percent (1%) of the total assessed value of all property within the Village, as certified by the Miami-Dade County Property Appraiser for the current fiscal year; or

(ii) that amount which would cause annual Debt Service to equal fifteen percent (15%) of General Fund expenditures for the previous fiscal year;

provided, however, that if in the future the Village Charter is amended to permit total Debt to exceed the amounts set forth above, then the total Debt of the Village permitted hereunder shall be deemed to be such greater amount consistent with the Charter.

As used in this Section 13, the following terms shall have the meaning ascribed to them in this subsection:

(1) "Debt" shall mean any obligation of the Village to repay borrowed money however evidenced since the date of its incorporation regardless of tenor or term for which it was originally contracted or subsequently converted through refinancing or novation, except (A) any obligation required to be repaid in less than a year and which was incurred solely for emergency relief of natural disasters, or (B)

that portion of any obligations for operations which are financed and operated in an independent, self-liquidating manner and recovered entirely through currently collected user fees and charges.

(2) "Debt Service" shall include, without limitation thereto, scheduled interest payments, repayments of principal and all financial fees arising from Debt or from the underlying contractual obligations, whether as originally incurred or subsequently deferred or otherwise renegotiated.

(3) "General Fund" shall mean any and all revenues of the Village, from whatever source derived, except those revenues derived from special assessments, user fees and charges and designated as a separate fund to finance goods and services to the public.

SECTION 14. COVENANTS BINDING ON VILLAGE AND SUCCESSOR. All covenants, stipulations, obligations and agreements of the Village contained in this Resolution constitute a contract between the Village and the Owner of the Bond and shall be deemed to be covenants, stipulations, obligations and agreements of the Village to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon the officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the Village Council or officer, agent or employee of the Village in his or her individual capacity, and neither the members of the Village Council nor any officer, agent or employee of the Village executing the Bond shall be liable personally on the Bond or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 15. EVENTS OF DEFAULT. Each of the following events is hereby declared an "event of default":

(a) payment of the principal of or amortization installments of the Bond shall not be made when the same shall become due and payable, whether by maturity or otherwise; or

(b) payment of any installment of interest on the Bond shall not be made when the same shall become due and payable, whether by maturity or otherwise; or

(c) the Village shall default in the due and punctual performance of any covenant, condition, agreement or provision contained in the Bond or in this Resolution (except for a default described in subsection (a) or (b) of this Section) on the part of the Village to be performed, and such default shall continue for sixty (60) days after written notice specifying such default and requiring same to be remedied shall have been given to the Village by any Owner of any Bond; provided that it shall not constitute an event of default if the default is not one that can be cured within sixty (60) days, as agreed by the Owner and the Village, and the Village commences within such sixty (60)

days and is proceeding diligently with action to correct such default; or

(d) any proceeding shall be instituted with or without the consent of the Village under federal bankruptcy laws or other federal or state laws affecting creditors' rights or any proceeding shall otherwise be instituted for the purpose of effecting a composition between the Village and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted and any such proceeding shall not have been dismissed with prejudice within thirty (30) days after the institution of the same.

SECTION 16. REMEDIES; RIGHTS OF OWNER. During the first ninety (90) day period in which an Event of Default under Section 15(a) or (b) hereof shall have occurred or be continuing hereunder, any outstanding payments in default shall bear interest at a rate equal to three percent (3%) in excess of the current interest rate on the Bond (the "Default Rate"). If a payment default continues beyond ninety (90) days, the Default Rate shall apply to all outstanding principal of the Bond, until the payment default has been cured.

Upon the occurrence and continuance of any event of default specified in Section 15 hereof, the Owner of the Bond may pursue any available remedy by suit, at law or in equity, to enforce the payment of the principal of and interest on the Bond then outstanding.

No delay or omission to exercise any right or power accruing upon any default or event of default shall impair any such right or power or shall be construed to be waiver of any such default or event of default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any event of default shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation under this Resolution shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation.

The Village agrees, to the extent permitted by law, to indemnify the Owner and its directors, officers, employees and agents from and against any losses, claims, damages, liabilities and expenses (including, without limitation, counsel fees and expenses) which may be incurred in connection with enforcement of the provisions of this Resolution and the Bond.

SECTION 17. SALE OF BOND. Based upon the uncertainty of the interest rate environment if sale of the Bond is delayed, the Village hereby determines the necessity for a negotiated sale of the Bond. The Village has been provided all applicable disclosure information required by Section 218.385, Florida Statutes. The negotiated sale of the Bond is hereby approved to the Lender at a purchase price of par.

SECTION 18. AUTHORITY OF OFFICERS. The Mayor, the Vice Mayor, any member of the Council, the Village Manager, the Village Clerk, the Finance Director and any other proper official of the Village, are and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transaction contemplated by this Resolution and the other

documents identified herein.

SECTION 19. SEVERABILITY. In case any one or more of the provisions of this Resolution or of the Bond issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or of the Bond, but this Resolution and the Bond shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The Bond is issued and this Resolution is adopted with the intent that the laws of the State shall govern their construction.

SECTION 20. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS. In any case where the date of maturity of interest on or principal of the Bond shall not be a Business Day, then payment of such interest or principal need not be made by the Village on such date but may be made on the next succeeding Business Day, and payment on such day shall have the same force and effect as if paid on the nominal date for payment.

SECTION 21. OPEN MEETING FINDINGS. It is hereby found and determined that all official acts of the Village Council concerning and relating to the adoption of this Resolution and all prior resolutions and ordinances affecting the Village Council's ability to issue the Bond were taken in an open meeting of the Village Council and that all deliberations of the Village Council or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

SECTION 22. REPEALING CLAUSE. All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflicts, are hereby superseded and repealed.

SECTION 23. MODIFICATION, AMENDMENT OR SUPPLEMENT. This Resolution may be modified, amended or supplemented by the Village from time to time prior to the issuance of the Bond hereunder. Thereafter, no modification, amendment or supplement of this Resolution, or of any resolution amendatory hereof or supplemental hereto, may be made without the consent in writing of the Owner.

SECTION 24. NO THIRD-PARTY BENEFICIARIES. Except as herein otherwise expressly provided, nothing in this Resolution expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Village, the Lender and a subsequent Owner of the Bond issued hereunder, any right, remedy or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Village, the Lender and the Owner from time to time of the Bond issued hereunder.

SECTION 25. WAIVER OF JURY TRIAL. The Village and the Lender intentionally and voluntarily waive any right they may have to a trial by jury in connection with any matter directly or indirectly relating to this Resolution, the Ordinance, the Bond or any other document executed in connection with the Bond. The Village acknowledges that this provision is a material inducement to the Lender to purchase the Bond.

SECTION 26. EFFECTIVE DATE. This Resolution shall take effect immediately upon its

adoption.

[remainder of page intentionally left blank]

PASSED AND ADOPTED this 27th day of April, 2021.

MICHAEL W. DAVEY, MAYOR

ATTEST:

JOCELYN BREWSTER KOCH
VILLAGE CLERK

APPROVED AS TO LEGAL FORM AND SUFFICIENCY:

VILLAGE ATTORNEY

EXHIBIT "A"

No. R-1 **$750,000**

UNITED STATES OF AMERICA
STATE OF FLORIDA
VILLAGE OF KEY BISCAYNE
FIRE EQUIPMENT REVENUE BOND
SERIES 2021

Registered Owner: Key Government Finance, Inc.
Principal Amount: Seven Hundred Fifty Thousand Dollars

KNOW ALL MEN BY THESE PRESENTS, that the Village of Key Biscayne, Florida (the "Village"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns (the "Owner"), from the sources hereinafter mentioned, the Principal Amount specified above, together with interest on the Principal Amount outstanding at the rate of interest hereinafter provided. Subject to the rights of prior prepayment and redemption described in this Bond, this Bond shall mature on October 1, 2030. Payments due hereunder shall be made no later than 2:00 p.m., Eastern time, on the date due, free and clear of any defenses, set-offs, counterclaims, or withholding or deductions for taxes.

This Bond is issued under authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Part II of Chapter 166, Florida Statutes, as amended, the Charter of the Village, Ordinance No. 2021-04 duly adopted by the Village Council (the "Council") of the Village on March 30, 2021 (the "Ordinance"), and Resolution No. 2021-__ adopted on April 27, 2021 (the "Resolution," and collectively with the Ordinance, the "Bond Ordinance"), and is subject to the terms of said Bond Ordinance. This Bond is issued for the purpose of financing for the purchase of a Pierce Enforcer PUC Pumper – 753 fire truck and related equipment and paying costs of issuance of this Bond. This Bond shall be payable only from the sources identified herein. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

Subject to adjustment as provided below and provided in the Bond Ordinance, this Bond shall bear interest on the outstanding principal balance from its date of issuance payable semiannually on each April 1 and October 1 (the "Interest Payment Dates"), commencing October 1, 2021, at an interest rate equal to 1.764% per annum.

Interest on this Bond shall be computed on the basis of a 360-day year consisting of twelve (12) thirty-day months for the actual number of days elapsed.

The principal of and interest on this Bond are payable in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered Owner or his legal representative at the address of the Owner as it appears on the registration books of the Village.

Adjustment of Interest Rate for Taxability. Upon a Determination of Taxability (as defined below), the rate of interest on this Bond shall be adjusted upward to 2.233% per annum (the "Taxable Rate"), retroactive as of the date of the Determination of Taxability event. In addition to the payments of principal and interest on this Bond required to be paid pursuant to the terms of the Resolution and this Bond, the Village hereby agrees to pay to the Owner an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the of the Internal Revenue Code of 1986, as amended (the "Code")) owed by the Owner as a result of the occurrence of a Determination of Taxability. All such interest, penalties on overdue interest, and additions to tax shall be paid by the Village on the next succeeding Interest Payment Date following the Determination of Taxability. A "Determination of Taxability" shall mean a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that interest paid or payable on any Bond is or was includable in the gross income of an Owner of this Bond for Federal income tax purposes; provided, that no such decree, judgment, or action will be considered final for this purpose, however, unless the Village has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Owner of this Bond, and until the conclusion of any appellate review, if sought.

Mandatory Prepayment. The principal of this Bond shall be subject to mandatory prepayment in annual installments on each October 1, commencing October 1, 2021, in the amounts set forth in the Amortization Schedule attached to this Bond.

Optional Prepayment. This Bond is subject to optional prepayment in whole but not in part at any time on or after the first anniversary date of the issuance of this Bond, upon thirty (30) days written notice to the Owner specifying the principal amount to be prepaid and the date of such prepayment, at a price of par plus accrued interest to the date of prepayment, without penalty or premium.

The Village has covenanted and agreed in the Bond Ordinance to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues (as defined below) lawfully available in each fiscal year, amounts sufficient to pay the principal and interest due on this Bond in accordance with its terms and to pay all required deposits to the Rebate Fund pursuant to the Resolution. "Non-Ad Valorem Revenues" means all revenues of the Village derived from any source other than ad valorem taxation on real or personal property and which are legally available to make the payments required under the Resolution, but only after provision has been made by the Village for the payment, to the extent are not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the Village and (b) all legally mandated services. Such covenant and agreement on the part of the Village to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the Village, the Village does not covenant to maintain any services or programs, now provided or maintained by the Village, which generate non-ad valorem revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor, except to the extent provided in Section 13 of the Resolution, does

it preclude the Village from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Village to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Bondholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of owners of other bonds of the Village secured in the same manner as the Bond. Such covenant to budget and appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available in the manner described herein Non-Ad Valorem Revenues and placing on the Village a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations under the Bond Ordinance, subject, however, in all respects to the terms of the Bond Ordinance and the restrictions of Section 166.241(3), Florida Statutes, which provides, in part, that the governing body of each municipality make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment, to the extent are not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the Village and (b) all legally mandated services.

THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE VILLAGE OR A PLEDGE OF THE FAITH AND CREDIT OF THE VILLAGE WITHIN THE MEANING OF ANY PROVISION OF THE CONSTITUTION OF THE STATE OF FLORIDA, BUT SHALL, INSTEAD, BE PAYABLE EXCLUSIVELY FROM LEGALLY AVAILABLE NON-AD VALOREM REVENUES OF THE VILLAGE, AS DEFINED IN THE RESOLUTION. THE ISSUANCE OF THIS BOND SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE VILLAGE TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR NOR SHALL THIS BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE VILLAGE, AND THE HOLDERS OF THIS BOND SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION.

The original registered Owner, and each successive registered Owner of this Bond shall be conclusively deemed to have agreed and consented to the following terms and conditions:

1. The Village shall keep books for the registration of the Bond and for the registration of transfers of the Bond as provided in the Resolution. This Bond may be transferred or exchanged in whole upon the registration books kept by the Village, upon delivery to the Village, together with written instructions as to the details of the transfer or exchange, of such Bond in form satisfactory to the Village and with guaranty of signatures satisfactory to the Village, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. This Bond may be exchanged for a Bond of the same principal amount and maturity. No transfer or exchange of any Bond shall be effective until entered on the registration books maintained by the Village.

2. The Village may deem and treat the person in whose name any Bond shall be registered upon the books of the Village as the absolute Owner of such Bond, whether such Bond

shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as they become due, and for all other purposes. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

3. In all cases in which the privilege of exchanging this Bond or transferring this Bond is exercised, the Village shall execute and deliver a Bond in accordance with the provisions of the Resolution. There shall be no charge for any such exchange or transfer of this Bond, but the Village may require payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The Village shall not be required to transfer or exchange this Bond for a period of fifteen (15) days next preceding an interest payment date on such Bond.

4. The Bond, the principal of and interest on which have been paid, either at or prior to maturity, shall be delivered to the Village when such full payment is made, and shall thereupon be cancelled. In case a portion but not all of an outstanding Bond shall be prepaid pursuant to mandatory prepayment provisions, such Bond shall not be surrendered in exchange for a new Bond, but the Village shall make a notation indicating the remaining outstanding principal of the Bond upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

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

[signature page follows]

IN WITNESS WHEREOF, the Village of Key Biscayne, Florida has caused this Bond to be executed by the manual or facsimile signature of its Mayor and of its Village Clerk, and the Seal of the Village of Key Biscayne, Florida or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon, all as of the ___ day of May, 2021.

VILLAGE OF KEY BISCAYNE, FLORIDA

_____

Mayor

(SEAL)

_____

Village Clerk

[signature page to Bond]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned _____ (the "Transferor"), hereby sells, assigns and transfers unto _____ (Please insert name and Social Security or Federal Employer identification number of assignee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ (the "Transferee") as attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date _____

_____
Social Security Number of Assignee

Signature Guaranteed:

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

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

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

TEN ENT - as tenants by the entirety

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

UNIF GIF MIN ACT - _____,
(Cust.)

Custodian for _____,
(Minor)

under Uniform Gifts to Minors Act of _____.
(State)

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

AMORTIZATION SCHEDULE

Date	Funding	Payment	Interest @ 1.7640	Principal	Balance
May-10-21	750,000.00				750,000.00
Oct-01-21		80,181.75	5,181.75	75,000.00	675,000.00
Apr-01-22		5,953.50	5,953.50	0.00	675,000.00
Oct-01-22		80,953.50	5,953.50	75,000.00	600,000.00
Apr-01-23		5,292.00	5,292.00	0.00	600,000.00
Oct-01-23		80,292.00	5,292.00	75,000.00	525,000.00
Apr-01-24		4,630.50	4,630.50	0.00	525,000.00
Oct-01-24		79,630.50	4,630.50	75,000.00	450,000.00
Apr-01-25		3,969.00	3,969.00	0.00	450,000.00
Oct-01-25		78,969.00	3,969.00	75,000.00	375,000.00
Apr-01-26		3,307.50	3,307.50	0.00	375,000.00
Oct-01-26		78,307.50	3,307.50	75,000.00	300,000.00
Apr-01-27		2,646.00	2,646.00	0.00	300,000.00
Oct-01-27		77,646.00	2,646.00	75,000.00	225,000.00
Apr-01-28		1,984.50	1,984.50	0.00	225,000.00
Oct-01-28		76,984.50	1,984.50	75,000.00	150,000.00
Apr-01-29		1,323.00	1,323.00	0.00	150,000.00
Oct-01-29		76,323.00	1,323.00	75,000.00	75,000.00
Apr-01-30		661.50	661.50	0.00	75,000.00
Oct-01-30		75,661.50	661.50	75,000.00	0.00
	750,000.00	814,716.75	64,716.75	750,000.00	