

RESOLUTION NO. 1942-06

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA, SUPPLEMENTING ORDINANCE NO. 2658-06 OF THE CITY WHICH AUTHORIZED THE ISSUANCE OF NOT EXCEEDING \$5,200,000 CAPITAL IMPROVEMENT NOTES, SERIES 2006, OF THE CITY TO FINANCE ALL OR PART OF THE COST OF THE ACQUISITION AND CONSTRUCTION OF CERTAIN CAPITAL IMPROVEMENTS IN THE CITY; PROVIDING FOR THE PAYMENT OF SUCH NOTES FROM LEGALLY AVAILABLE NON AD VALOREM REVENUES OF THE CITY; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA:

ARTICLE I

AUTHORITY, DEFINITIONS AND FINDINGS

SECTION 1.01 AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 166, Part II, Florida Statutes, and other applicable provisions of law; and is supplemental to the Ordinance.

SECTION 1.02 DEFINITIONS. Unless the context otherwise requires, the terms defined in this section shall have the meanings specified in this section. Terms not otherwise defined in this section shall have the meanings ascribed to them by the Ordinance. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Act" shall mean, collectively, Chapter 166, Part II, Florida Statutes, and other applicable provisions of law.

"Authorized Investments" shall mean any of the following if and to the extent the same are legal for investment of municipal funds and are permitted by the investment policy of the City:

(1) Government Obligations which are held in a custody or trust account by a bank or savings and loan association which is either (a) a "qualified public depository" under the laws of the State of Florida or (b) has capital, surplus and undivided profits of not less than \$50,000,000, and which is a member of the Federal Deposit Insurance Corporation ("FDIC");

(2) bonds, debentures, notes, participation certificates or other evidences of indebtedness payable in cash issued, or the principal of and interest on which are unconditionally guaranteed by, the following federal agencies whose obligations represent the full faith and credit of the United States of America: the Export-Import Bank of the United States; the Government National Mortgage Association; the Farmers Home Administration or Rural Development, as applicable; the Federal Housing Administration; or the Maritime Administration;

(3) United States dollar denominated time and demand deposits in any domestic commercial bank which is a member of FDIC and is a "qualified public depository" under the laws of the State of Florida;

(4) repurchase agreements fully and continuously secured by Government Obligations, with any bank, trust company, national banking association or savings and loan association which is a member of FDIC and is a "qualified public depository" under the laws of the State of Florida; or with any registered government bond broker/dealer which is subject to the jurisdiction of the Securities Investors' Protection Corporation; provided, (a) such Government Obligations are held by the City or a third party which is (i) a Federal Reserve Bank, or (ii) a bank or savings and loan association which is a member of FDIC and is a "qualified public depository" under the laws of the State of Florida; and the City shall have received written confirmation from the third party that it holds such Government Obligations; and (b) a perfected first security interest in or title to such Government Obligations is created or obtained for the benefit of the City;

(5) any other investments authorized or permitted by Ordinance No. 2486-02 of the City, or authorized or permitted from time to time by Section 218.415, Florida Statutes, or any other law of the State of Florida controlling the investment of surplus public funds of a municipality.

"Bank" shall mean SunTrust Bank.

"Certificate of Award" shall mean a certificate reviewed in advance by the Bank and executed by the Mayor or Vice Mayor of the City, awarding the Notes to the Bank at par and containing the maturity schedules, Stated Rate and, if not otherwise specified in Section 2.09 of this Resolution, the prepayment provisions applicable to the Notes, which are consistent with the terms of the Commitment and this Resolution.

"City" shall mean the City of Winter Park, Florida.

"Code" shall mean the Internal Revenue Code of 1986, as amended, together with the applicable regulations thereunder, and, if applicable, under the Internal Revenue Code of 1954, as amended; and any successor provisions.

"Commission" shall mean the City Commission of the City.

"Commitment" shall mean the proposal of the Bank, dated November 29, 2005, with respect to the Notes.

"Debt Service Requirement" for any Note Year, as applied to the Notes, shall mean the sum of the amount required to pay the interest and principal becoming due on the Notes during such Note Year.

"Federal Securities" shall mean, collectively, (1) Government Obligations; (2) certificates evidencing ownership of portions of such obligations described in (1) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and independently against the obligor on the underlying obligations if such underlying obligations are not available to satisfy any claim against the custodian; or (3) municipal obligations that have been advance refunded, are secured by an escrow within which are held obligations described in (1) and have been rated in the highest rating category by Moody's, none of which described in (1), (2) or (3) above are subject to redemption prior to maturity at the option of the obligor.

"Fiscal Year" shall mean the period commencing on October 1 of each year and ending on the succeeding September 30, or such other annual period as may be prescribed by law from time to time for the City.

"Government Obligations" shall mean any securities that are direct obligations of, or obligations the timely payment of principal of and interest on which is fully and unconditionally guaranteed by, the United States of America.

"Holder of Notes" or "Noteholders" or any similar term shall mean any person who shall be the Registered Owner of any such Note or Notes.

"Moody's" shall mean Moody's Investors Service, New York, New York.

"Non Ad Valorem Revenues" shall mean legally available revenues of the City derived from sources other than ad valorem taxation.

"Note Registrar" shall mean the City Clerk of the City, who shall maintain the registration books of the City and be responsible for the transfer of the Notes, and who shall also be the paying agent for the Notes and interest thereon.

"Note Year" shall mean the one year period ending on a principal payment date for the Notes.

"Notes" shall mean the Capital Improvement Notes, Series 2006, herein authorized to be issued.

"Ordinance" shall mean Ordinance No. 2658-06 of the City which authorized the issuance of the Notes.

"Park Avenue Bonds" shall mean the Park Avenue Improvement Revenue Bonds, Series 1998, of the City.

"Prepayment Penalty" shall mean the present value of the difference between (1) the amount that would have been realized by the Bank on the prepaid amount for the remaining term of the prepaid principal installment of the Note at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps for a term corresponding to the term of the prepaid installment of the Note, interpolated to the nearest month, if necessary, that was in effect 3 business days prior to the issuance date of the Note; and (2) the amount that would be realized by the Bank by reinvesting such prepaid funds for the remaining term of the prepaid principal installment of the Note at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps, interpolated to the nearest month, that was in effect 3 business days prior to the scheduled Note principal installment payment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value be \$0.00 or a negative value, the penalty amount will be \$0.00. Should the Federal Reserve no longer release rates for fixed-rate payers in interest rate swaps, the Bank may substitute the Federal Reserve H.15 Statistical Release with another similar index acceptable to the financial advisor for the City. The Bank shall provide the City with a written statement explaining the calculation of the penalty due, which statement shall, in absence of manifest error, be conclusive and binding.

"Project" shall mean various capital improvements in the area of the City including, but not limited to, the purchase of replacement municipal vehicles, the purchase of Howell Branch Nature Preserve, the upgrade of certain municipal communication and computer equipment and various municipal street bricking projects; all as more particularly described in plans and specifications now on file or to be on file with the City.

"Project Funds" shall mean the special account or accounts created and established by Section 4.02 of this Resolution.

"Resolution" shall mean, collectively, this resolution and all resolutions amendatory hereof or supplemental hereto.

SECTION 1.03 FINDINGS. It is hereby ascertained, determined and declared that:

A. It is necessary and desirable to acquire and construct the Project, as provided herein, in order to preserve and protect the public health, safety and welfare of the inhabitants of the City; and to issue the Notes to finance all or part of the cost of the Project. Any remaining cost of the Project shall be paid from legally available funds of the City.

B. The principal of and interest on the Notes and all required sinking fund payments shall be payable from Non Ad Valorem Revenues as provided herein. Neither the City nor the State of Florida or any political subdivision thereof or governmental authority or body therein shall ever be required to levy ad valorem taxes to pay the principal, redemption or prepayment premium, if any, and interest on the Notes or to make any of the sinking fund payments required by this Resolution, the Ordinance or the Notes; and except as provided in Section 3.01C of this Resolution, such Notes shall not constitute a lien upon or pledge of any property owned by or situated within the corporate territory of the City, nor prevent the City from subsequently pledging any of the Non Ad Valorem Revenues for the payment of the principal, redemption or prepayment premium, if any, and interest on any other obligations of the City.

C. It is anticipated that the Non Ad Valorem Revenues, to the extent budgeted and appropriated in each year by the Commission, will be sufficient to pay all principal, redemption or prepayment premium, if any, and interest on the outstanding Park Avenue Bonds and the Notes, as the same become due, and to make all sinking fund payments required by this Resolution.

D. The relatively small size of the principal amount of the Notes and the nature of the security for their payment would not produce an adequate response at a public sale offering; therefore, a negotiated sale of the Notes will result in the most favorable financing plan and is in the best interest of the City.

E. The Bond Buyer "20-Bond GO Index" (the "Index") published immediately prior to the first day of the month during which this Resolution was adopted, was 4.38%. Three hundred basis points above the Index is the statutory interest rate limit (the "Interest Rate Limit") applicable to the Notes for a sale in January 2006.

F. The Bank has by the Commitment, offered to purchase the Notes at the price of par (the "Purchase Price"), at the rates set forth in the Commitment, resulting in average net interest cost rates, for both interest rate options, computed as of the date of adoption of this Resolution, less than the Interest Rate Limit.

G. It is necessary and desirable to delegate to the Finance Director of the City, the authority to fix certain of the fiscal details for the Notes and to accept the terms of the Commitment not inconsistent with the provisions of this Resolution.

H. The Notes will not be "private activity bonds" as defined in Section 141 of the Code.

I. The City does not reasonably expect to issue tax-exempt obligations (other than "private activity bonds") in excess of \$10,000,000 in calendar year 2006.

SECTION 1.04 RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Notes authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution (including the Ordinance) shall be deemed to be and shall constitute a contract between the City and such Noteholders. The covenants and agreements herein set forth to be performed by the City shall be for the equal benefit, protection and security of the legal Holders of any and all of such Notes, all of which shall be of equal rank and without preference, priority or distinction of any of the Notes over any other thereof, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF PROJECT AND ISSUANCE OF NOTES; DESCRIPTION, DETAILS AND FORM OF NOTES

SECTION 2.01 AUTHORIZATION OF PROJECT. The Project is hereby authorized. The cost of such Project may include, but need not be limited to, legal and financing expenses; expenses for estimates of costs and of revenues; expenses for plans, specifications and surveys; fees of consultants and advisors; administrative expenses; and such other costs and expenses as may be necessary or incidental to the Project and the financing herein authorized, including reimbursement for money advanced for the cost of Project from other funds of the City or the City, as permitted by the reimbursement provisions of the Code.

SECTION 2.02 AUTHORIZATION OF NOTES. Subject and pursuant to the provisions of this Resolution, obligations of the City to be known as "Capital Improvement Notes, Series 2006," are hereby authorized to be issued in the aggregate principal amount of not exceeding \$5,200,000 for the purpose of acquisition and construction of the Project. The Notes may be issued in multiple subseries, in the discretion of the City, but all subseries shall be delivered on the same date.

SECTION 2.03 DESCRIPTION OF NOTES. The Notes shall be issued in the form of fully registered Notes, without coupons, in the denominations necessary for their issuance; shall be dated the date of their delivery; shall bear interest from their date on the unpaid principal balance at not exceeding the maximum rate authorized by applicable law (the "Stated Rate"), subject to adjustment as specified below, calculated on a 30/360-day year basis, such interest to be payable semiannually on January 1 and July 1 of each year until maturity; shall be payable in principal installments on January 1 in the years and amounts, shall have such additional series designations for each subseries of the Notes, and shall all mature no later than January 1, 2016, as set forth in the Certificate of Award. If any payment day is not a business day, then payment will be due on the next succeeding business day, with interest accrued to and including such business day.

The Stated Rate shall be fixed in the Certificate of Award, but shall be adjusted as follows:

A. In the event of a change from the current 35% rate in the maximum marginal federal income tax rate applicable to corporations (as currently provided in Section 11(b)(1)(D) of the Code), then the interest rate on the Notes shall be automatically adjusted, up or down, by a fraction equal to $(1 \text{ minus } A)/.65$,

where "A" equals the maximum marginal corporate income tax rate then in effect.

B. The interest rate shall be adjusted (retroactively, if necessary) to provide the Registered Owner with the same after-tax yield on the Notes if:

(1) any amendments to existing federal law, other than a change in the corporate tax rate, are adopted which adversely affect such after-tax yield;

(2) the Notes cease to be "qualified tax-exempt obligations" as described in Section 265(b)(3) of the Code; or

(3) there occurs a final determination by the Internal Revenue Service or a court of competent jurisdiction that interest on the Notes is not excluded from gross income for federal income tax purposes.

The Notes shall be payable with respect to both principal and interest in lawful money of the United States of America, by mail to the Registered Owners at their addresses as they appear on the registration books at 5:00 p.m. (eastern time) on the Record Date. Upon final payment of principal and interest at maturity, the Notes shall be surrendered to the City.

SECTION 2.04 EXECUTION OF NOTES. The Notes shall be executed by the Mayor or Vice Mayor of the City, and the corporate seal of the City or a facsimile thereof shall be affixed thereto or reproduced thereon and attested by the City Clerk of the City. The authorized signatures for the Mayor or Vice Mayor and City Clerk, shall be either manual or in facsimile. The Certificate of Authentication of the Note Registrar shall appear on the Notes, and no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless such certificate shall have been duly executed on such Note. The authorized signature for the Note Registrar shall be either manual or in facsimile; provided, however, that at least one of the above signatures, including that of the authorized signature for the Note Registrar, appearing on the Notes shall at all times be a manual signature. In case any one or more of the officers who shall have signed or sealed any of the Notes shall cease to be such officer of the City before the Notes so signed and sealed shall have been actually sold and delivered, such Notes may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Notes had not ceased to hold such office. Any Notes may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Notes shall hold the proper office, although at the date of such Notes such person may not have held such office or may not have been so authorized.

SECTION 2.05 NEGOTIABILITY. The Notes shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive Holder, in accepting any of the Notes, shall be conclusively deemed to have agreed that such Notes shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

SECTION 2.06 REGISTRATION. The Note Registrar shall be responsible for maintaining the books for registration and transfer of the Notes.

Upon surrender to the Note Registrar for transfer of any Note, duly endorsed for transfer and duly executed by the Registered Owner or his attorney duly authorized in writing, the Note Registrar shall deliver in the name of the transferee, a new fully registered Note of the same maturity and interest rate and for the principal amount which the Registered Owner is entitled to receive.

All Notes presented for transfer or payment (if so required by the City or the Note Registrar) shall be accompanied by a written instrument or instruments of transfer, in form and with guaranty of signature satisfactory to the City or the Note Registrar, duly executed by the Registered Owner or by his duly authorized attorney.

The Note Registrar or the City may require payment from the Registered Owner or transferee of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in connection with any transfer of the Notes. Such charges and expenses shall be paid before any new Note shall be delivered.

Interest on the Notes shall be paid to the Registered Owners whose names appear on the books of the Note Registrar as of 5:00 p.m. (eastern time) on the Record Date. New Notes delivered upon any transfer shall be valid obligations of the City, evidencing the same debt as the Notes surrendered, shall be secured by this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Notes surrendered.

The City and the Note Registrar may treat the Registered Owner of any Note as the absolute owner thereof for all purposes, whether or not such Note shall be overdue, and shall not be bound by any notice to the contrary.

SECTION 2.07 DISPOSITION OF BONDS PAID OR REPLACED. Whenever any Note shall be delivered to the Note Registrar for cancellation, upon payment of the principal amount thereof, or for replacement or transfer, such Note shall, after cancellation, either be retained or destroyed by the Note Registrar, as authorized by law.

SECTION 2.08 BONDS MUTILATED, DESTROYED, STOLEN OR LOST.

In case any Note shall become mutilated, or be destroyed, stolen or lost, the City, acting through the Note Registrar, may in its discretion issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Note, upon surrender and cancellation of such mutilated Note or in lieu of and substitution for the Note destroyed, stolen or lost, and upon the Registered Owner furnishing satisfactory proof of his ownership and the loss thereof (if lost, stolen or destroyed) and indemnity satisfactory to the City, and complying with such other reasonable regulations and conditions as the City may prescribe and paying (in advance if so required by the City or the Note Registrar) such taxes, governmental charges, attorneys fees, printing costs and other expenses as the City and/or the Note Registrar may charge and/or incur. All Notes so surrendered shall be cancelled by the Note Registrar. If any such Note shall have matured or will mature within 45 days, instead of issuing a substitute Note, the City may pay the same, upon being indemnified as aforesaid, and if such Note be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Notes issued pursuant to this section shall constitute original contractual obligations on the part of the City, whether or not the lost, stolen or destroyed Notes be at any time found by anyone.

SECTION 2.09 PROVISIONS FOR PREPAYMENT. The outstanding principal payment installments of the Notes, or portions thereof, may be prepaid prior to their respective payment dates, at the option of the City, on any principal installment payment date and in any order, in an amount not exceeding 15% of the outstanding principal balance of the Notes as of January 1 of the year of prepayment, at the price of the par amount of such principal payment installments to be prepaid, together with accrued interest to the date of prepayment, but without prepayment premium or penalty.

Furthermore, the outstanding principal payment installments of the Notes, or portions thereof, may be prepaid, in whole or in part, prior to their respective payment dates, at the option of the City, at any time and in any order, at the price of the par amount of such principal payment installments to be prepaid, together with accrued interest to the date of prepayment and, at the option of the Bank if it is then the Holder of the Notes, an amount equal to the Prepayment Penalty.

Notice of such optional prepayment shall, at least 2 business days prior to the prepayment date, be hand-delivered, telecopied (evidenced by a written transmission report) or e-mailed (evidenced by a written return receipt) by the Note Registrar to each Holder of Notes at his address as it appears of record on the books of the Note Registrar as of 15 days prior to the date fixed

for prepayment. Interest shall cease to accrue on the principal amount of the Notes duly called for prepayment on the prepayment date, if payment thereof has been duly provided. Under such circumstances the privilege of transfer of the Notes shall be suspended.

If the Notes are prepaid in part, each Holder of Notes shall record the appropriate information in the Partial Prepayment Record attached to the Notes, and indicate receipt of such partial prepayment by his signature on such Record.

SECTION 2.04 FORM OF NOTES. The text of the Notes, together with the Certificate of Authentication of the Note Registrar, shall be substantially of the following tenor, with such omissions, insertions and variations as may be necessary or desirable and authorized or permitted by this Resolution or any subsequent resolution adopted prior to the issuance thereof; or as may be necessary to comply with applicable laws, rules and regulations of the United States Government and the State of Florida in effect upon the issuance thereof:

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF ORANGE
CITY OF WINTER PARK
CAPITAL IMPROVEMENT NOTE, SERIES 2006_

KNOW ALL MEN BY THESE PRESENTS, that the City of Winter Park, Florida (the "City"), for value received hereby promises to pay to SunTrust Bank, or registered assigns, solely from the special funds hereinafter mentioned, the principal sum specified above on January 1 in the years and in the principal installments as follows:

<u>Year</u>	<u>Amount</u>
2007	\$
2008	
2009	
2010	
2011	
2012	
2013	
2014	
2015	
2016	

and to pay solely from such special funds, interest on the balance of such principal sum from time to time remaining unpaid, from the date of this Note, at the rate of _____% per annum (subject to adjustment as provided in the Resolution, defined below), payable on July 1, 2006, and on January 1 and July 1 of each year, by check mailed to the Registered Owner at his address as it appears at 5:00 p.m. (eastern time) on the fifteenth day of the month preceding the applicable interest payment date, on the registration books of the City kept by the Note Registrar. If any payment day is not a business day, then payment will be due on the next succeeding business day, with interest accrued to and including such business day. The principal of and interest on this Note are payable in lawful money of the United States of America. Upon final payment of principal and interest, this Note shall be surrendered to the City.

This Note is part of an authorized issue of Notes issued to finance the cost of certain capital improvements in the area of the City, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Part II, Florida Statutes, and other applicable provisions of law; and Ordinance No. 2658-06 of the City and Resolution No. _____ of the City Commission of the City (collectively, the "Resolution"), and is subject to all the terms and conditions of the Resolution.

This Note and the interest hereon are payable from Non Ad Valorem Revenues budgeted and appropriated by the City for such purposes; all as defined, in the manner and to the extent provided in the Resolution.

It is expressly agreed by the Registered Owner of this Note that such Registered Owner shall never have the right to require or compel the levy of ad valorem taxes for the payment of the principal of and interest on this Note or for the making of any sinking fund or other payment specified in the Resolution. This Note and the indebtedness evidenced thereby shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, or a lien upon any other property of or in the City (except certain unspent Note proceeds); nor prevent the City from subsequently pledging any of its Non Ad Valorem Revenues for the payment of the principal, redemption premium and interest on any other obligations of the City.

This Note may be transferred only upon the books of the City kept by the Note Registrar upon surrender thereof at the principal office of the Note 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 a sum sufficient to cover any tax, fee or governmental charge, if any, that may be imposed in connection with any such transfer, as provided in the Resolution. Upon any such transfer, there shall be executed in the name of the transferee, and the Note Registrar shall deliver, a new registered Note in the same principal amount, maturity and interest rate as this Note.

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

This Note is subject to prepayment under the terms and conditions stated in Section 2.09 of the Resolution. If this Note is prepaid in part, the Registered Owner shall enter an appropriate notation thereof in the Partial Prepayment Record below.

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

This Note 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 Note Registrar.

IN WITNESS WHEREOF, the City of Winter Park, Florida, has issued this Note and has caused the same to be executed by its Mayor or Vice Mayor, and its corporate seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon and attested by the City Clerk, all as of _____, 2006.

CITY OF WINTER PARK

(SEAL)

Mayor [Vice Mayor]

ATTESTED:

City Clerk

NOTE REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Note is part of the Notes of the issue described in the Resolution.

CITY CLERK, Winter Park, Florida
as Note Registrar

Date of Authentication: _____, 2006

The following abbreviations, when used in the inscription on the face of the within Note, 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/TRANS 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/Transfers 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 NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE) the within Note and does hereby irrevocably constitute and appoint _____ as his agent to transfer the Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

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

Signature guaranteed:

Signature guarantee by guarantor
institution participating in
Securities Transfer Agents
Medallion Program, or in other
guarantee program acceptable to
Note Registrar

PARTIAL PREPAYMENT RECORD

[illegible]

ARTICLE III

APPLICATION OF NOTE PROCEEDS

SECTION 3.01 APPLICATION OF NOTE PROCEEDS. The proceeds received from the sale of the Notes shall be applied by the City simultaneously with their delivery to the purchaser thereof, as follows:

A. The City shall pay all costs and expenses in connection with the preparation, issuance and sale of the Notes. Such costs shall be allocated on a pro rata basis among each subseries of the Notes, as applicable.

B. The remaining proceeds derived from the sale of the Notes shall be deposited in a special account for the Notes, or, if applicable, in special accounts for each subseries of the Notes, all known collectively as the Project Funds. The Project Funds shall be continuously secured in the same manner as municipal deposits are authorized to be secured by the laws of the State of Florida. Money therein shall be used only for payment of the cost of the Project, but, pending such application, may be invested as provided in Article IV hereof.

C. All such proceeds disbursed in accordance with this Section 3.01 shall be and constitute trust funds for such purposes and, to the extent not required to be rebated to the United States Treasury, there is hereby created a lien in favor of the Holders of the Notes or, if applicable, the Holders of the respective subseries of the Notes, on a pro rata basis, upon such money until so applied.

ARTICLE IV

PAYMENT OF NOTES; CREATION OF FUNDS AND ACCOUNTS; APPLICATION OF REVENUES

SECTION 4.01 PAYMENT OF NOTES. Neither the Notes nor the interest thereon shall be or constitute a general indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, but shall be payable from Non Ad Valorem Revenues as provided below. No Holder or Holders of any Notes issued hereunder shall ever have the right to require or compel the exercise of the ad valorem taxing power of the City or taxation in any form of any property therein for payment thereof, or be entitled to payment of such principal and interest from any other funds of the City.

The City will budget and appropriate in each Note Year, from Non Ad Valorem Revenues, an amount sufficient to pay the Debt Service Requirement and all other payments required by this Resolution for such Note Year. However, this covenant shall not be deemed a pledge of or creation of a lien upon any of such Non Ad Valorem Revenues, nor prevent the City from subsequently pledging any of its Non Ad Valorem Revenues for the payment of the principal, redemption or prepayment premium, if any, and interest on any other obligations of the City.

Except for obligations that will be secured primarily by revenues to be derived from self-liquidating projects, the City will not issue any additional obligations secured by Non Ad Valorem Revenues unless there shall be prepared by City staff and filed with the City Clerk of the City, a report showing that for any 12 consecutive months out of the 18 months preceding the proposed date of issuance of such additional obligations, the combined maximum annual debt service requirement with respect to (a) the Notes and the Park Avenue Bonds then outstanding and (b) such obligations proposed to be issued, does not exceed 50% of the Non Ad Valorem Revenues deposited by the City in its General Fund for such 12 month period.

SECTION 4.02 CREATION OF FUNDS. The Sinking Fund and the Project Funds are hereby created and established.

A. TRUST FUNDS. The Funds created and established above and any other special funds and accounts created and established by this Resolution shall constitute trust funds for the purposes provided herein for such funds, and shall be kept separate and distinct from all other funds of the City and used only for the purposes and in the manner provided by this Resolution. All such Funds shall be continuously secured in the same manner as municipal deposits are authorized to be secured by the laws of the State of Florida.

B. GOVERNMENT ACCOUNTING EFFECT. The cash required to be accounted for in each of the Funds established herein may be deposited in a single bank account, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash on deposit therein for the various purposes of such Funds. The designation and establishment of the various Funds 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 Non Ad Valorem Revenues for certain purposes and to establish certain priorities for application of such Non Ad Valorem Revenues as provided by this Resolution.

SECTION 4.03 APPLICATION OF REVENUES. For as long as any of the principal of and interest on any of the Notes shall be outstanding and unpaid, or until payment has been provided for as permitted by this Resolution, or until there shall have been set apart in the Sinking Fund, a sum sufficient to pay when due the entire principal of the Notes remaining unpaid, together with interest accrued or to accrue thereon, the City covenants with the Holders of any and all Notes as follows:

A. SINKING FUND. The Non Ad Valorem Revenues which have been budgeted and appropriated as specified in Section 4.01 above shall be deposited, as received, in the Sinking Fund. Non Ad Valorem Revenues shall first be applied in such sums as will be sufficient to pay all or $1/6^{\text{th}}$ of all, as applicable, interest becoming due on the Notes on the next interest payment date and all or $1/12^{\text{th}}$ of all, as applicable, principal becoming due on the Notes on the next principal payment date therefor, plus the amount of any prior deficiencies. In the event the first interest or principal payment date shall occur either more or less than 6 months or 12 months, as the case may be, after the delivery of the Notes, then any semiannual payments required above shall be adjusted accordingly to provide for the payment of such principal and interest. Furthermore, in the event the final maturity date shall occur less than 12 months after the immediately preceding principal and interest payment date, then the payments required above shall be adjusted accordingly to provide for the final payment of such principal and interest at maturity.

Credit shall be allowed against the total interest and principal due on the next interest and/or principal payment date for any other funds on hand and available for such purposes in the Sinking Fund.

B. COMPLETION OF FUNDING REQUIREMENT. The City shall not be required to make any further applications or allocations to the Sinking Fund when the sums applied and allocated thereto are and remain at least equal to the sum of all of the annual Debt Service

Requirements then due and becoming due in all ensuing years for the Notes then outstanding.

C. BALANCE OF REVENUES. Thereafter, the balance of any Non Ad Valorem Revenues remaining after the above required payments (including deficiencies for prior payments) have been made, may be used by the City for any lawful purpose.

D. INVESTMENT AND DISPOSITION OF INVESTMENT INCOME. Money on deposit in the Sinking Fund and the Project Funds may be invested and reinvested only in Authorized Investments maturing not later than the dates on which the money therein will be needed. Any and all income received by the City from such investments shall be deposited into the Sinking Fund; provided, however, that income received from the investment of the Project Funds shall remain on deposit therein pending completion of the Project, and thereafter shall be deposited into the Sinking Fund.

ARTICLE V

CERTAIN COVENANTS AND REMEDIES

SECTION 5.01 ACCOUNTING RECORDS. The City shall maintain separately identifiable accounting records for the receipt of the Non Ad Valorem Revenues by the use of a fund or funds established in accordance with generally accepted accounting practice, and any Noteholder shall have the right at all reasonable times to inspect all records, accounts and data of the City relating thereto.

SECTION 5.02 ANNUAL AUDIT. The City shall after the close of each Fiscal Year, cause the books, records and accounts relating to the Non Ad Valorem Revenues to be properly audited by a recognized Accountant. Such audit shall contain, but not be limited to, the statements required by generally accepted accounting principles applicable to governmental units, and after consultation with bond counsel to the City, a certificate by the Accountant disclosing any breach on the part of the City of any covenant herein. A copy of such annual audit shall be furnished to the Bank (if it is then a Holder) within 210 days after the close of the Fiscal Year. Furthermore, a copy of the annual budget for the City shall be furnished to the Bank (if it is then a Holder) within 90 days of its approval. Any other financial information pertaining to the City, and within its control, shall be furnished to the Bank upon its request.

SECTION 5.03 ENFORCEMENT OF COLLECTIONS. The City will diligently enforce and collect the Non Ad Valorem Revenues and take all action necessary to remain eligible to collect the same; will take all reasonable steps, actions and proceedings for the enforcement and collection of such Non Ad Valorem Revenues as shall become delinquent; and will maintain accurate records with respect thereof. All such Non Ad Valorem Revenues shall, as collected, be held in trust to be applied as herein provided and not otherwise.

SECTION 5.04 COMPLETION OF PROJECT. The City shall diligently carry out and continue to completion, with all practicable dispatch, the Project in a sound and economical manner.

SECTION 5.05 REMEDIES. Any trustee or any Holder of Notes issued under the provisions hereof acting for the Holders of all Notes may by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State of Florida, or granted and contained herein, and may enforce and compel the performance of all duties herein required or by any applicable statutes to be performed by the City or by any officer thereof. Nothing herein, however, shall be construed to grant to any Holder of such Notes

any lien on any property of or within the corporate boundaries of the City, except as provided herein. No Holder of Notes, however, shall have any right in any manner whatever to affect, disturb or prejudice the security of this Resolution or to enforce any right hereunder except in the manner herein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Holders of Notes.

SECTION 5.06 TAX EXEMPTION. The City at all times while the Notes and the interest thereon are outstanding will comply with the requirements of the Code to the extent necessary to preserve the exemption from federal income taxation of the interest on the Notes. The City Manager or Finance Director of the City is authorized to make or effect any election, selection, choice, consent, approval or waiver on behalf of the City with respect to the Notes as the City is required to make or give under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or characterization of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties thereon, or making payments in lieu thereof, or obviating such amounts or payments, as determined by such officer. Any action of such officer in that regard shall be in writing and signed by the officer.

Furthermore, the Notes are hereby designated "qualified tax-exempt obligations" under Section 265(b)(3)(B) of the Code.

ARTICLE VI

MISCELLANEOUS PROVISIONS

SECTION 6.01 MODIFICATION OR AMENDMENT. No adverse material modification or amendment of this Resolution or of any ordinance or resolution amendatory hereof or supplemental hereto may be made without the consent in writing of the Holders of 51% or more in aggregate principal amount of all the Notes so affected by such modification or amendment; provided, however, that no modification or amendment shall permit a change in the maturity of the Notes or a reduction in the rate of interest thereon, or in the amount of principal obligation thereof, or affect the promise of the City to pay the principal of and interest on the Notes as the same shall become due from the Non Ad Valorem Revenues, or reduce the percentage of the Holders of the Notes required to consent to any adverse material modification or amendment hereof without the consent of the Holders of all Notes.

SECTION 6.02 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 and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.

SECTION 6.03 DEFEASANCE. If, at any time, the City shall have paid, or shall have made provision for the payment of, the principal, interest and redemption or prepayment premiums, if any, with respect to the Notes, or any portion thereof, then, and in that event, the covenant of the City to budget and appropriate Non Ad Valorem Revenues in favor of the applicable Noteholders shall be no longer in effect. For purposes of the preceding sentence, deposit of sufficient cash and/or principal and interest of Federal Securities in irrevocable trust with a banking institution or trust company, for the sole benefit of the applicable Noteholders, to make timely payment of the principal, interest, and redemption or prepayment premiums, if any, on the outstanding Notes, shall be considered "provision for payment."

SECTION 6.04 INTERESTED PARTIES. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Note Registrar, the paying agent and the Noteholders, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements contained in this Resolution, by and on behalf of the City, shall be for the sole and exclusive benefit of the City, the Note Registrar, the paying agent and the Noteholders.

SECTION 6.05 REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

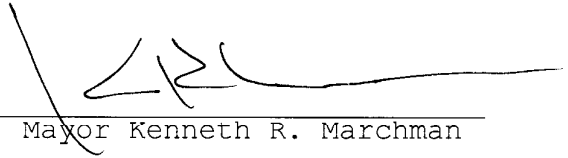
SECTION 6.06 EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage.

ADOPTED after reading by title at a regular meeting of the City Commission of the City of Winter Park, Florida, held in City Hall, Winter Park, Florida, on this 23rd day of January, 2006.

(SEAL)

CITY OF WINTER PARK, FLORIDA

By


Mayor Kenneth R. Marchman

ATTESTED:

By


City Clerk