

**ORDINANCE NO. O-2007-030**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF OAKLAND PARK, FLORIDA, AUTHORIZING THE ISSUANCE OF ITS PROMISSORY NOTE, SERIES 2007, IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$4,000,000 TO ACQUIRE, RENOVATE AND EQUIP A BUILDING TO HOUSE THE OAKLAND PARK DIVISION OF THE BROWARD SHERIFF OFFICE AND OTHER CITY OFFICES, AND COSTS RELATED THERETO; COVENANTING TO BUDGET AND APPROPRIATE FUNDS, FROM LEGALLY AVAILABLE NON-AD VALOREM REVENUES ATTRIBUTABLE TO THE GENERAL FUND, TO REPAY SUCH NOTE; PRESCRIBING THE FORM, TERMS AND DETAILS OF THE NOTE; AWARDED THE NOTE TO WACHOVIA BANK, N.A. BY NEGOTIATED SALE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the City Commission has determined that it is appropriate and necessary to borrow funds in an amount not to exceed \$4,000,000 to pay the costs of acquiring, renovating and equipping a building to house the Oakland Park Division of the Broward Sheriff Office and other City offices; and

WHEREAS, Wachovia Bank, N.A. has submitted a Commitment Letter to the City dated September 19, 2007, which is attached hereto as Exhibit "C" (the "Commitment") to provide such loan, the acceptance of which is in the best interest of the City; and

WHEREAS, the City desires to authorize the borrowing of not to exceed \$4,000,000 from Wachovia Bank, N.A. for the purposes described herein.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF OAKLAND PARK, FLORIDA, THAT:**

**SECTION 1. DEFINITIONS.** As used herein, unless the context otherwise requires:

"Act" means, as applicable, Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Florida Statutes, the Charter of the City of Oakland Park and other applicable provisions of law.

"Annual Budget" means the annual operating budget prepared by the City for each Fiscal Year in accordance with Section 11 below and in accordance with the laws of the State of Florida.

“Business Day” means any day which is not a Saturday, Sunday or legal holiday in Broward County, Florida.

“Chief Financial Officer” means the chief financial officer of the City as defined in Section 218.403, Florida Statutes.

“City” means the City of Oakland Park, a Florida municipal corporation, or its successor.

“City” Manager” means the City Manager of the City.

“Clerk” means the City Clerk or any Deputy Clerk of the City.

“Code” means the Internal Revenue Code of 1986, as amended, including the applicable regulations of the Department of the Treasury (including applicable final regulations, temporary regulations and proposed regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

“Costs of the Project” means with respect to the Project, all items of cost authorized by the Act, including the costs of issuance of the Note.

“Dated Date” means the date of issuance of the Note.

“Fiscal Year” means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other consecutive 12-month period as may be hereafter designated as the fiscal year of the City pursuant to general law.

“Governing Body” means the City Commission of the City, or its successor in function.

“Legally Available Non-Ad Valorem Revenues Attributable to the General Fund” means all revenues of the City attributable to the City’s general fund, reported as such on the City’s audited financial statements, derived from any source whatsoever, other than ad valorem taxation on real and personal property, which are legally available to make the payments of principal and interest on the Note, but only after provision has been made by the City for payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the City, or which are legally mandated by applicable law.

“Maturity Date” means October 1, 2027.

“Mayor” means the Mayor of the City and such other person as may be duly authorized to act on the Mayor's behalf.

“Noteholder” or “Holder” means the registered owner (or its authorized representative) of the Note.

“Note” means the Promissory Note, Series 2007, authorized to be issued by the City in the aggregate principal amount not to exceed \$4,000,000, the form of which is attached as Exhibit “A” hereto.

“Ordinance” means this Ordinance, authorizing the issuance of the Note, as the same may from time to time be amended, modified or supplemented.

“Project” means the acquisition, renovation and equipping of a building to house the Oakland Park division of the Broward Sheriff Office and other City offices, including, to the extent it will not adversely affect the exclusion of the interest on the Note from the gross income of the Holder for federal income tax purposes, reimbursement of expenses previously paid by the City.

“State” means the State of Florida.

“Wachovia” means Wachovia Bank, N.A., the initial purchaser of the Note, and its successors and assigns.

**SECTION 2. AUTHORITY FOR ORDINANCE.** This Ordinance is enacted pursuant to the provisions of the Act. The City has ascertained and hereby determined that enactment of this Ordinance is necessary to carry out the powers, purposes and duties expressly provided in the Act, that each and every matter and thing as to which provision is made herein is necessary in order to carry out and effectuate the purposes of the City in accordance with the Act and to carry out and effectuate the plan and purpose of the Act, and that the powers of the City herein exercised are in each case exercised in accordance with the provisions of the Act and in furtherance of the purposes of the City.

**SECTION 3. ORDINANCE TO CONSTITUTE CONTRACT.** In consideration of the purchase and acceptance of the Note by those who shall hold the same from time to time, the provisions of this Ordinance shall be a part of the contract of the City with the Holder, and shall be deemed to be and shall constitute a contract between the City and the Holder from time to time of the Note. The pledge made in this Ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the benefit, protection and security of the Holder of the Note in accordance with the terms hereof.

**SECTION 4. AUTHORITY FOR ISSUANCE OF NOTE.** Subject and pursuant to the provisions hereof, a note to be known as “City of Oakland Park, Florida, Promissory Note, Series 2007” is hereby authorized to be issued in an aggregate principal amount not to exceed Four Million Dollars (\$4,000,000.00) for the purpose of financing the Costs of the Project. The City shall not use the proceeds of the Note for any purpose other than the Costs of the Project without the written approval of Wachovia.

**SECTION 5. DESCRIPTION OF NOTE.** The Note shall be issued in one (1) typewritten certificate and shall be dated the Dated Date. The Note shall bear interest from the Dated Date at the fixed rate of 4.47% per annum and shall mature on the Maturity Date. Interest on the Note shall be payable in forty (40) semi-annual installments, with the first installment due and payable on April 1, 2008. Principal of the Note shall be payable in twenty (20) annual installments, with the first installment due and payable on October 1, 2008. The Note will provide for approximately level debt service payments in each year. Interest shall be calculated on the basis of a 360 day year consisting of twelve (12) thirty day months. Details of the Note, including the scheduled principal payments, shall be as provided in the form of Note attached as Exhibit "A" hereto.

The Note shall be in registered form, contain substantially the same terms and conditions as set forth in Exhibit "A" hereto, shall be payable in lawful money of the United States of America, and the principal thereof, interest thereon and any other payments thereunder shall be payable by check, wire, draft or bank transfer to the Holder at such address as may be provided in writing by such Holder to the Clerk. So long as the Note shall remain outstanding, the City shall maintain and keep books for the registration and transfer of the Note. The Note may be assigned as provided in the form of Note attached as Exhibit "A" hereto.

**SECTION 6. EXECUTION OF NOTE.** The Note shall be executed in the name of the City by the manual signature of the City Manager or, in the absence of the City Manager, the Chief Financial Officer, the seal of the City shall be imprinted, reproduced or lithographed on the Note, and the Note shall be attested to by the manual signature of the Clerk. If any officer whose signature appears on the Note ceases to hold office before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes. In addition, the Note may bear the signature of, or may be signed by, such persons as at the actual time of execution of the Note shall be the proper officers to sign the Note although at the date of the Note or the date of delivery thereof such persons may not have been such officers.

**SECTION 7. NOTE MUTILATED, DESTROYED, STOLEN OR LOST.** If the Note is mutilated, destroyed, stolen or lost, the City may, in its discretion (i) deliver a duplicate replacement Note, or (ii) pay a Note that has matured or is about to mature. A mutilated Note shall be surrendered to and canceled by the Clerk or its duly authorized agent. The Holder must furnish the City or its agent proof of ownership of any destroyed, stolen or lost Note; post satisfactory indemnity; comply with any reasonable conditions the City or its agent may prescribe; and pay the City's or its agent's reasonable expenses.

Any such duplicate Note shall constitute an original contractual obligation on the part of the City whether or not the destroyed, stolen, or lost Note be at any time found by anyone, and such duplicate Note shall be entitled to equal and proportionate benefits and rights as to lien on, and source of and security for payment from, the funds pledged to the payment of the Note so mutilated, destroyed, stolen or lost.

**SECTION 8. PROVISIONS FOR REDEMPTION.** The Note may be prepaid in whole or in part at any time prior to maturity in the manner and with the breakage fee provided in the form of Note attached as Exhibit "A" hereto.

**SECTION 9. NOTE NOT TO BE GENERAL INDEBTEDNESS OF THE CITY.** The Note shall not be or constitute a general obligation or indebtedness of the City within the meaning of the Constitution of Florida, but shall be payable from and secured solely by the covenant of the City to budget and appropriate Legally Available Non-Ad Valorem Revenues Attributable to the General Fund, in the manner and to the extent herein and in the Note provided. No Holder shall ever have the right to compel the exercise of the ad valorem taxing power of the City or taxation in any form on any real or personal property to pay the Note or the interest thereon, nor shall any Holder be entitled to payment of such principal and interest from any funds of the City other than the Legally Available Non-Ad Valorem Revenues Attributable to the General Fund, all in the manner and to the extent herein and in the Note provided. The Holder shall have no lien upon the Project or upon any other real or tangible personal property of the City.

**SECTION 10. COVENANT TO BUDGET AND APPROPRIATE.** The City hereby covenants to budget and appropriate in its Annual Budget, by amendment if necessary, from Legally Available Non-Ad Valorem Revenues Attributable to the General Fund in each Fiscal Year, sufficient moneys to pay the principal of and interest on the Note in such Fiscal Year, until the Note is paid in full. Such covenant and agreement on the part of the City shall be cumulative to the extent not paid, and shall continue until Legally Available Non-Ad Valorem Revenues Attributable to the General Fund or other available funds in amounts sufficient to make all required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the City, the City does not covenant to maintain any services or programs now provided or maintained by the City, which generate non ad-valorem revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Legally Available Non-Ad Valorem Revenues Attributable to the General Fund, nor, except as provided in the next succeeding paragraph, does it preclude the City from pledging in the future a particular source or sources of Non Ad- Valorem Revenues Attributable to the General Fund. Such covenant to budget and appropriate Legally Available Non-Ad Valorem Revenues Attributable to the General Fund is subject in all respects to the payment of obligations heretofore or hereafter (but only to the extent permitted by the next succeeding paragraph) entered into, including but not limited to the payment of debt service on bonds and other debt instruments. However, the covenant to budget and appropriate in its Annual Budget for the purposes and in the manner stated herein shall have the effect of making available in the manner described herein Legally Available Non-Ad Valorem Revenues Attributable to the General Fund and placing on the City a positive duty to budget and appropriate, by amendment if necessary, amounts sufficient to meet its obligations hereunder.

In each Fiscal Year in which the Note is outstanding hereunder, and prior to the incurrence of additional debt secured by or payable from Legally Available Non Ad Valorem Revenues Attributable to the General Fund, the average of the prior two Fiscal Years' Legally Available Non Ad Valorem Revenues Attributable to the General Fund must cover the Maximum Annual Debt Service on debt secured by and/or payable from such Legally Available Non Ad Valorem Revenues Attributable to the General Fund, including the Note, by at least 1.5x, to be evidenced by a Covenant Compliance Certificate in the form of Exhibit "B" attached hereto. For purposes of this test, Maximum Annual Debt Service on any variable rate debt will be assumed to bear interest at the higher of (a) 6% per annum or (b) the actual interest rate borne by such debt for the month preceding the date of calculation. In addition, the City will not issue any additional debt secured by or payable from a covenant to budget Legally Available Non-Ad Valorem Revenues Attributable to the General Fund unless no Event of Default exists hereunder and the other covenants of the City contained herein will continue to be met.

**SECTION 11. OPERATING BUDGET; FINANCIAL STATEMENTS.** Before the first day of each Fiscal Year the Governing Body shall prepare, approve and adopt in the manner prescribed by law, a detailed Annual Budget. Such Annual Budget shall provide for revenues sufficient to comply with the City's obligations hereunder, including any unsatisfied obligations from prior Fiscal Years. The City shall annually provide to Wachovia printed copies of (a) the City's Comprehensive Annual Financial Report, (b) the Annual Budget and (c) the City's Capital Improvement Plan when available, or within 180 days of the end of each Fiscal Year, whichever is sooner. The City will also annually provide Wachovia with a Covenant Compliance Certificate in the form attached hereto as Exhibit "B" to evidence its compliance with the covenant contained in the last paragraph of Section 10, and any other financial information Wachovia shall reasonably request.

**SECTION 12. AWARD OF NOTE BY NEGOTIATED SALE.** Because of the nature of the Note, the maturity of the Note and the prevailing market conditions, the negotiated sale of the Note to Wachovia in substantial accordance with the Commitment, is hereby found to be in the best interests of the City; provided, however, that the provisions of this Ordinance shall control to the extent of any conflict with the Commitment.

**SECTION 13. MODIFICATION, AMENDMENT OR SUPPLEMENT.** This Ordinance may be modified, amended or supplemented by the City from time to time prior to the issuance of the Note hereunder. Thereafter, no modification, amendment or supplement of this Ordinance, or of any ordinance amendatory hereof or supplemental hereto, may be made without the consent in writing of the Holder.

**SECTION 14. EVENTS OF DEFAULT; REMEDIES.**

- A. Events of Default. Any one or more of the following events shall be an "Event of Default":
- (i) The City shall fail to pay the principal of or interest on the Note when due;

(ii) The City shall fail to pay the principal of or interest on any other loan or obligation for the repayment of money when due;

(iii) The City shall (a) admit in writing its inability to pay its debts generally as they become due, (b) file (or have filed against it and not dismissed within 90 days) a petition in bankruptcy or take advantage of any insolvency act, (c) make an assignment for the general benefit of creditors, (d) consent to the appointment of a receiver for itself or for the whole or any substantial part of its property, or (e) be adjudicated a bankrupt; or

(iv) The City shall default in the due and punctual performance of any of its covenants, conditions, agreements and provisions contained herein or in the Note, and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the City by the Holder of the Note; provided that such default shall not be an Event of Default if the City within such 30 day period commences and carries out with due diligence to completion (although not necessarily within such thirty (30) day period) such action as is necessary to cure the same.

B. Remedies on Default. If an Event of Default shall have occurred and be continuing, the Holder may proceed to protect and enforce its rights hereunder by a suit, action or special proceeding in equity or at law, by mandamus or otherwise, either for the specific performance of any covenant or agreement contained herein or for enforcement of any proper legal or equitable remedy as such Holder shall deem most effectual to protect and enforce the rights aforesaid.

No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or in the Note or now or hereafter existing at law or in equity.

No delay or omission of a Holder to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default, or an acquiescence therein; and every power and remedy given by this article may be exercised from time to time, and as often as may be deemed expeditious by a Holder.

**SECTION 15. TAX COVENANTS.** It is the intention of the City and all parties under its control that the interest on the Note be and remain excluded from gross income for federal income tax purposes and to this end the City hereby represents to and covenants with the Holder that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Internal Revenue Code of 1986, as amended, to the extent necessary to preserve the exclusion of the interest on the Note issued hereunder from gross income for federal income tax purposes.

**SECTION 16. BANK QUALIFIED ISSUE.** The City hereby designates the Note to be a “qualified tax-exempt obligation” within the meaning of Section 265(b) of the Code.

**SECTION 17. GENERAL AUTHORITY.** The Mayor and the members of the Governing Body and the officers, attorneys and other agents or employees of the City are hereby authorized to do all acts and things required of them by this Ordinance, or desirable or consistent with the requirements hereof, for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Note, including the execution of any documents or instruments relating to payment of the Note, and each member, employee, attorney and officer of the City is hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder.

**SECTION 18. WAIVER OF JURY TRIAL.** WACHOVIA AND THE CITY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS ORDINANCE, THE NOTE OR ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF EITHER PARTY.

**SECTION 19. SEVERABILITY.** If any section, subsection, sentence, clause or provision of this Ordinance is held invalid, the remainder of this Ordinance shall not be affected by such invalidity.

**SECTION 20. NO THIRD-PARTY BENEFICIARIES.** Except as herein otherwise expressly provided, nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and a subsequent holder of the Note issued hereunder, any right, remedy or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the holder from time to time of the Note issued hereunder.

**SECTION 21. CONTROLLING LAW; MEMBERS OF CITY NOT LIABLE.** All covenants, stipulations, obligations and agreements of the City contained in this Ordinance and the Note shall be covenants, stipulations, obligations and agreements of the City to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained in this Ordinance or the Note shall be a covenant, stipulation, obligation or agreement of any present or future member, agent, officer or employee of the City or the Governing Body of the City in his or her individual capacity, and neither the members or officers of the Governing Body of the City nor any official executing the Note shall



be liable personally on the Note or shall be subject to any personal liability or accountability by reason of the issuance or the execution of the Note by the City or such members thereof.

**SECTION 22. REPEAL OF INCONSISTENT ORDINANCES.** All ordinances or parts of ordinances and all resolutions or parts of resolutions in conflict with this Ordinance are repealed to the extent of such conflict.

**SECTION 23. EFFECTIVE DATE.** This Ordinance shall be effective immediately upon its passage and adoption by the Governing Body.

**PASSED BY THE CITY COMMISSION OF THE CITY OF OAKLAND PARK, FLORIDA,  
ON FIRST READING THIS 3<sup>RD</sup> DAY OF OCTOBER, 2007.**

L. WALLS	<u>YES</u>
S. ARNST	<u>YES</u>
A. MURPHY	<u>YES</u>
S. BOISVENUE	<u>NO</u>
L. GIERER	<u>YES</u>

[Remainder of page intentionally left blank]

REGISTERED  
No. R- 1

REGISTERED  
\$ 4,000,000.00

COPY

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF OAKLAND PARK  
PROMISSORY NOTE, SERIES 2007

Interest Rate:

4.47%

Maturity Date:

October 1, 2027

Dated Date:

October 19, 2007

REGISTERED OWNER: WACHOVIA BANK, N.A.

PRINCIPAL AMOUNT: FOUR MILLION DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the City of Oakland Park, Florida, a municipal corporation of the State of Florida (hereinafter called the "City") for value received, hereby promises to pay to the Registered Owner identified above, or to registered assigns or legal representatives, but solely from the revenues hereinafter mentioned, on the dates hereinafter provided, the Principal Amount identified above, and to pay, solely from such revenues, interest on the Principal Amount remaining unpaid from time to time, at the interest rate per annum identified above, until the entire Principal Amount has been repaid. Principal of and interest on this Note will be paid by bank wire, check, draft or bank transfer delivered to the Registered Owner hereof at its address as it appears on the registration books of the City at the close of business on the fifth Business Day (as defined in the hereinafter described Ordinance), next preceding each interest payment date (the "Record Date").

Interest on this Note shall be calculated on the basis of a 360 day year consisting of twelve (12) thirty day months and will be paid in arrears.

Interest on this Note shall be payable in forty (40) semi-annual installments on April and October 1 of each year, beginning April 1, 2008. Principal of this Note shall be payable in twenty (20) annual installments on October 1 of each year, beginning October 1, 2008. The amount of principal and interest due on each payment date is as set forth in the amortization schedule attached hereto as Schedule "I."

Each date when principal and/or interest on this Note is due is a "Payment Date." If any Payment Date is not a Business Day, the payment otherwise due on such Payment Date shall be due on the next succeeding Business Day.

Upon the occurrence of an Event of Default (as defined in the Ordinance) until such Event of Default has been cured this Note shall bear interest at the lesser of (i) a variable rate equal to the Registered Owner's "Prime Rate" plus 200 basis points or (ii) the maximum rate permitted by law.

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Also, upon the occurrence of an Event of Default, the Holder may declare the entire outstanding balance due hereon to be immediately due and payable (but only from the Legally Available Non-Ad Valorem Revenues Attributable to the General Fund), and in any such acceleration the City shall also be obligated to pay all costs of collection and enforcement thereof, including such fees as may be incurred on appeal or incurred in any bankruptcy or insolvency proceeding.

This Note is issued in the aggregate principal amount of \$4,000,000, issued to finance the Costs of the Project (as defined in the Ordinance), pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Florida Statutes, the Charter of the City (collectively, the "Act"), and Ordinance No. 2007-030, enacted by the City Commission of the City on October 17, 2007 (the "Ordinance").

This Note and the interest hereon are secured by the City's covenant to budget and appropriate in each Fiscal Year from its Legally Available Non-Ad Valorem Revenues Attributable to the General Fund, sufficient moneys to pay the principal of and interest on the Note, until this Note has been paid in full. Reference is hereby made to the Ordinance for the provisions, among others, relating to the terms and security for the Note, the custody and application of the proceeds of the Note, the rights and remedies of the Registered Owner of the Note and the limitations thereon, and the extent of and limitations on the City's rights, duties and obligations, to all of which provisions the Registered Owner hereof for himself and his successors in interest assents by acceptance of this Note. All terms used herein in capitalized form, unless otherwise defined herein, shall have the meanings ascribed thereto in the Ordinance.

In the event of a Determination of Taxability, the interest rate payable hereunder shall be subject to a full gross-up modification, as determined by the Registered Owner and its counsel (the "Taxable Rate"), effective retroactively to the date on which such Determination of Taxability was made. In addition, upon a Determination of Taxability, the City agrees to pay to the Registered Owner subject to such Determination of Taxability the Additional Amount upon demand. "Additional Amount" means (i) the difference between (a) interest on this Note for the period commencing on the date on which the interest on this Note ceased to be excludable from gross income for federal income tax purposes and ending on the earlier of the date this Note ceased to be outstanding or such adjustment is no longer applicable to this Note (the "Taxable Period") at a rate per annum equal to the Taxable Rate, and (b) the aggregate amount of interest paid on this Note for the Taxable Period under the provisions of this Note without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by such Registered Owner to the Internal Revenue Service by reason of such Determination of Taxability. As used herein, "Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service or of the United States Treasury Department determining that any interest payable on this Note is includable in the gross income of the Registered Owner. No such decree or action shall be considered final for the purposes of this paragraph unless the City has been given written notice thereof and, if it is so desired by the City and is legally permissible, the City has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Registered Owner and until the conclusion of any appellate review, if sought.

COPY

If the tax laws or regulations are amended to decrease the maximum marginal statutory percentage rate of Federal income tax applicable to the taxable income of the Registered Owner, or to cause the interest on this Note to be subject to a minimum tax or an alternative minimum tax or to change the disallowance rate of interest deductions due to the purchase and holding of this Note or to otherwise decrease the yield on this Note to the Registered Owner (directly or indirectly, other than a change as a result of a Determination of Taxability), then the interest rate on this Note shall be adjusted to cause the after-tax yield on this Note to equal what the after-tax yield on this Note would have been in the absence of such change or amendment in the tax laws or regulations. If the tax laws or regulations are amended to increase the after-tax yield on this Note to the Registered Owner (including any change in the marginal tax rate of the Registered Owner), then the after-tax yield on this Note shall be adjusted to equal what the after-tax yield on this Note would have been in the absence of such change or amendment in the tax laws or regulations.

Notwithstanding the foregoing, in no event shall the interest rate payable on this Note in any year exceed the maximum rate permitted by law.

THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, LEGISLATIVE OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY THE REGISTERED OWNER OF THIS NOTE THAT SUCH REGISTERED OWNER SHALL NEVER HAVE THE RIGHT, DIRECTLY OR INDIRECTLY, TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS NOTE OR FOR THE PAYMENT OF ANY OTHER AMOUNTS PROVIDED FOR IN THE ORDINANCE.

This Note shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration of transfer contained herein and in the Ordinance.

It is further agreed between the City and the Registered Owner of this Note that this Note and the indebtedness evidenced hereby shall not constitute a lien upon any real or tangible personal property of or in the City. Neither the members of the governing body of the City nor any person executing the Note shall be liable personally on the Note by reason of its issuance.

This Note shall be subject to redemption in whole or in part on any date at the option of the City, upon payment by the City of a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon, plus a breakage fee computed in accordance with Schedule "II" attached hereto.

This Note may be assigned by the owner of this Note, or any assignee or successor-in-interest thereto. Such assignment shall only be effective, and the City obligated to pay such assignee, upon delivery to the Clerk at the address set forth below of a written instrument or instruments of assignment in the form provided herein, duly executed by the owner of this Note or by his attorney-in-fact or legal representative, containing written instructions as to the details of assignment of this Note, along with the social security number or federal employer identification number of such assignee. In all cases of an assignment of this Note the City shall at the earliest practical time in accordance with the provisions of the Ordinance enter the change of ownership in the registration books; provided, however, the written notice of assignment must be received by the Clerk no later than the close of business on the fifth Business Day prior to a Payment Date in order to carry the right to receive the interest and principal payment due on such Payment Date. The City may conclusively rely on the authenticity of any Form of Assignment delivered to it in accordance with this paragraph and accompanied by the original of the Note to which it relates.

Any payment or notice required to be given to the Registered Owner hereunder shall be given to the Registered Owner at 200 S. Biscayne Boulevard FL 6207, Miami, Florida 33131-2310, Attention: Government and Institutional Banking, or such other address or addresses as the Registered Owner shall provide the City in writing. In the event of an assignment of this Note, any payment or notice required to be given to the Registered Owner hereunder shall be given to the Registered Owner at the address or addresses shown on the Form of Assignment hereto, or such other address or addresses as the Registered Owner shall provide the City in writing. Any notice required to be given to the City hereunder shall be given to the Clerk at 3650 NE 12<sup>th</sup> Avenue, Oakland Park, Florida 33334 or such other address or addresses as the City shall provide the Registered Owner in writing.

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 laws and Constitution of the State of Florida applicable hereto, and that the issuance of the Note does not violate any constitutional or statutory limitation or provision.

THE REGISTERED OWNER, BY ITS ACCEPTANCE OF THIS NOTE, AND THE CITY, BY ITS ACCEPTANCE OF THE PROCEEDS OF THE NOTE, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, THE ORDINANCE OR ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OR DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY.

IN WITNESS WHEREOF, the City of Oakland Park, Florida has issued this Note and has caused the same to be executed by the manual signature of the Mayor, and attested by the manual

signature of the Clerk and its corporate seal or a facsimile thereof to be affixed or reproduced hereon,  
all as of the 19 day of October, 2007.

CITY OF OAKLAND PARK, FLORIDA

Mayor

(SEAL)

ATTEST:

Jessie M. Smith  
City Clerk