

# **NORTH SPRINGS IMPROVEMENT DISTRICT**



## **MEETING OF THE BOARD OF SUPERVISORS**

**January 07, 2025**

# ***North Springs Improvement District***

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9700 NW 52 Street Coral Springs, FL 33076

Phone (954) 752-0400 Fax (954) 755-7317

December 31, 2025

Board of Supervisors  
North Springs Improvement District

Dear Board of Supervisors:

A meeting of the Board of Supervisors of North Springs Improvement District will be held on **Wednesday, January 07, 2026, at 4:00 P.M.** at 9700 NW 52<sup>nd</sup> Street, Coral Springs, Florida. Following is the advance agenda:

1. Roll Call
2. Approval of December 03, 2025, Meeting Minutes
3. Audience Comments and Supervisors' Requests on Non-Agenda Items
4. Consideration of Resolution No. **2026-03**, Establishing a Special Assessment Area for Certain Lands in the District to be Designated as the Parkland Royale II Assessment Area, Authorizing the Imposition, Levy, Collection and Enforcement of Certain Non-Ad Valorem Special Assessments Relating to the Parkland Royale II Assessment Area, Subject to Subsequent Proceedings of the Board Sitting as an Equalizing Board Following a Public Hearing, and Calling for Such Public Hearing, Among Other Matters
5. Public Hearing Declaring the District's Intent to Use the Uniform Method of Collection of Non-Ad Valorem Assessments to be Levied by the District with Respect to the Parkland Royale II Assessment Area
  - A. Motion to Open the Public Hearing
  - B. Public Comment and Discussion
  - C. Motion to Close the Public Hearing
6. Consideration of Resolution No. **2026-04**, Expressing the Intent to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments with Respect to the Parkland Royale II Assessment Area and Setting Forth the Legal Description of the Real Property within the District's Jurisdictional Boundaries that Shall be Subject to the Levy of Non-Ad Valorem Assessments
7. Consideration of Resolution No. **2026-05**, Authorizing the Issuance in One or More Series of the District's Special Assessment Bonds with Respect to the Parkland Royale II Assessment Area,

Subject to Subsequent Proceedings of the Board, Approving a Form of Master Trust Indenture, and Authorizing Seeking Judicial Validation, Among other Matters

8. Staff Reports

A. Manager

I. Consideration of Heron Bay Proposed Rules and Regulations

II. Consideration of Ground Lease Agreement with Heron Bay Community Association, Inc.

B. Attorney

C. Engineer

9. Approval of Financials and Check Registers

10. Adjournment

# **SECOND ORDER OF BUSINESS**

December 03, 2025, Meeting Minutes

**MINUTES OF MEETING  
NORTH SPRINGS IMPROVEMENT DISTRICT**

The regular meeting of the Board of Supervisors of the North Springs Improvement District was held Wednesday, **December 03, 2025** at 4:00 p.m. in the district office, 9700 N.W. 52<sup>nd</sup> Street, Coral Springs, Florida.

Present and constituting a quorum were:

Grace Solomon	President
Anthony Avello	Secretary
Vince Moretti	Assistant Secretary

Also present were:

Rod Colon	District Manager
Brian Sherman	District Counsel
Jane Early	District Engineer
Brenda Richard	District Clerk
Katherine Castro	NSID
Donna Holiday	GMS-South Florida, LLC via Zoom
Frank Anzalone	East Coast Builders & Developers
Julio Tejeda	S.F.W.M.D.
Sergeant Mears	Coral Springs Police Department

*The following is a summary of the discussions and actions taken at the December 3, 2025 regular Board of Supervisor's meeting of the North Springs Improvement District.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Colon called the meeting to order at 4:00 p.m. and called the roll.

**SECOND ORDER OF BUSINESS**

**Approval of the Minutes of the November 5, 2025 Meeting**

On MOTION by Ms. Solomon seconded by Mr. Moretti with all in favor the minutes of the November 5, 2025 meeting were approved as presented.
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**THIRD ORDER OF BUSINESS****Audience Comments on Non-Agenda Items  
and Supervisor's Requests**

Mr. Colon stated we received an award of recognition from the Junior Achievement Society of South Florida. Three weeks ago we had youth come into our facility, future water plant operators, and it was a productive time.

**FOURTH ORDER OF BUSINESS****Consideration of Heron Bay Preserve  
Proposed Rules and Regulations**

Mr. Colon stated a copy of the proposed rules and regulations for Heron Bay Preserve was included in the agenda package. Our intent is to bring those back to a resolution next month based on comments received today from the board.

**FOURTH ORDER OF BUSINESS****Staff Reports****A. Manager****i. Consideration of Fee Agreement with Lennar Corporation for the  
Issuance of Special Assessment Bonds, Series 2026 (Parkland Royale II  
Assessment Area)**

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the fee agreement with Lennar Corporation for the issuance of special assessment bonds, series 2026 for Parkland Royale II assessment area was approved.

**ii. Consideration of Welcome Center Audio/Video/CCTV Proposal**

On MOTION by Ms. Solomon seconded by Mr. Moretti with all in favor the proposal from Perfect TV, Inc. in the amount of \$189,947.00 was approved.

**iii. Consideration of Welcome Center Pre-Wire Low Voltage Proposal**

On MOTION by Mr. Avello seconded by Mr. Moretti with all in favor the proposal from Perfect TV, Inc. in the amount of \$46,425.77 was approved.

**iv. Proposal for North Springs Preserve Signage**

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the proposal from Sign Works Boca in the amount of \$157,800 was approved.

**v. Consideration of Interlocal Agreement with the City of Parkland for Force Main Relocation**

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the interlocal agreement with the City of Parkland for force main relocation was approved.

**B. Attorney**

**1. Election Agreement with Broward County Supervisor of Elections**

Mr. Sherman stated we have an agreement with the Supervisor of Elections and moving forward the cost will be zero for the district unless we have any type of amendments.

On MOTION by Ms. Solomon seconded by Mr. Moretti with all in favor the agreement with Broward County Supervisor of Elections was approved.

**C. Engineer**

There being no comments, the next item followed.

**SIXTH ORDER OF BUSINESS**

**Approval of Financials and Check Register**

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the check register was approved.

**SEVENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the meeting adjourned at 4:26 p.m.

December 3, 1025

North Springs Improvement District

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Anthony Avello  
Secretary

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Grace Solomon  
President



## **THIRD ORDER OF BUSINESS**

Audience Comments and Supervisors' Requests on Non-Agenda Items

### Summary of Resolution Nos. 2026-03, 2026-04 and 2026-05

Lennar Homes, LLC (the “Developer”) has requested that North Springs Improvement District (the “District”) establish an assessment area within the District’s boundaries encompassing the Parkland Royale community (the “Assessment Area”) and issue the District’s special assessment bonds (the “Bonds”) to fund the acquisition of certain public water, wastewater and reuse improvements serving the Assessment Area (the “Project”). The Bonds will be payable from the revenues derived by the District from the levy of non-ad valorem special assessments (the “Special Assessments”) on assessable property in the Assessment Area.

In furtherance thereof, the following resolutions have been prepared by District Counsel, in the case of Resolution Nos. 2026-03 and 2026-04, and by the District’s Bond Counsel, in the case of Resolution No. 2026-05, to begin the process necessary to issue the Bonds. The Developer and the District have previously executed a written agreement requiring the Developer to pay certain fees and expenses incurred by the District in connection with the Bonds in the event the Bonds are not issued.

#### Resolution No. 2026-03

This resolution (i) establishes the Assessment Area, (ii) approves the Master Engineer’s Report describing the Project and the master methodology for allocating the Special Assessments to the assessable property in the Assessment Area, and (iii) provides for a public hearing to be held (the “Equalizing Hearing”) to finalize the levy of the Special Assessments, after the giving of requisite mailed and published notice, all pursuant to applicable law.

Following the Equalizing Hearing, the Board of Supervisors of the District will consider an equalizing resolution to complete the levy of the Special Assessments. The Master Engineer’s Report will be supplemented prior to the issuance of the Bonds to reflect the final pricing details of the Bonds.

#### Resolution No. 2026-04

This resolution evidences the District’s intent to collect the Special Assessments pursuant to the Uniform Method and provides for requisite notice of such to be published, all pursuant to applicable law. Assuming the Bonds are issued, it is expected that the Special Assessments will commence to be collected through the Uniform Method with the November, 2026 tax bills.

#### Resolution No. 2026-05

This resolution (i) authorizes the issuance of the Bonds in general terms, (ii) approves a form of a Master Trust Indenture, (iii) appoints a bond trustee, and (iv) authorizes seeking the judicial validation of the Bonds.

The Bonds will not be issued until and unless the Special Assessments are finally levied, the Bonds are judicially validated, and the Board of Supervisors adopts a resolution approving additional matters related to the Bonds, including delegating authority to establish details of the Bonds within specified parameters, and approving forms of the documents to be used in marketing the Bonds.

## FOURTH ORDER OF BUSINESS

Resolution 2026-03, Establishing a Special Assessment Area for Certain Lands in the District to be Designated as the Parkland Royale II Assessment Area, Authorizing the Imposition, Levy, Collection and Enforcement of Certain Non-Ad Valorem Special Assessments Relating to the Parkland Royale II Assessment Area, Subject to Subsequent Proceedings of the Board Sitting as an Equalizing Board Following a Public Hearing and Calling for Such Public Hearing, Among Other Matters

## **RESOLUTION NO. 2026-03**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH SPRINGS IMPROVEMENT DISTRICT ESTABLISHING A SPECIAL ASSESSMENT AREA FOR CERTAIN LANDS IN THE DISTRICT TO BE DESIGNATED AS THE PARKLAND ROYALE II ASSESSMENT AREA; AUTHORIZING THE IMPOSITION, LEVY, COLLECTION AND ENFORCEMENT OF CERTAIN NON-AD VALOREM SPECIAL ASSESSMENTS TO PROVIDE PUBLIC ASSESSABLE IMPROVEMENTS SERVING ASSESSABLE PROPERTY WITHIN THE PARKLAND ROYALE II ASSESSMENT AREA; DECLARING SPECIAL ASSESSMENTS; INDICATING THE LOCATION, NATURE AND ESTIMATED COST OF THE ASSESSABLE IMPROVEMENTS WHOSE COST IS TO BE FUNDED BY THE SPECIAL ASSESSMENTS; PROVIDING THOSE PORTIONS OF THE ESTIMATED COSTS OF THE ASSESSABLE IMPROVEMENTS TO BE FUNDED BY THE SPECIAL ASSESSMENTS; PROVIDING THE MANNER IN WHICH SUCH SPECIAL ASSESSMENTS SHALL BE IMPOSED, LEVIED AND COLLECTED; PROVIDING WHEN THE IMPOSITION AND LEVY SHALL TAKE PLACE; DESIGNATING THE LANDS IN THE PARKLAND ROYALE II ASSESSMENT AREA UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR A PUBLIC HEARING TO CONSIDER THE ADVISABILITY AND PROPRIETY OF SAID SPECIAL ASSESSMENTS AND THE RELATED ASSESSABLE IMPROVEMENTS; PROVIDING FOR NOTICE OF SAID PUBLIC HEARING; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, North Springs Improvement District (the "District") is a political corporation, independent special district and political subdivision of the State of Florida established pursuant to Chapter 2005-341, Laws of Florida, as amended and supplemented (the "Special Act"); and

**WHEREAS**, the Board of Supervisors (the "Board") of the District is authorized to adopt this resolution under the authority of the Special Act, Chapter 298, Florida Statutes, the Florida Constitution and other applicable provisions of law (collectively, the "Act"); and

**WHEREAS**, pursuant to the authority of the Act, the Board desires to establish and designate a special assessment area within the District comprised of a portion of certain lands in the District (as such lands are legally described in Exhibit A hereto, "Parkland Royale II Assessment Area"); and

**WHEREAS**, the owner of all or a majority of the lands in the Parkland Royale II Assessment Area has requested the District to make, and the Board hereby determines that it is necessary, desirable and in the best interests of the District to make, or cause to be made, certain assessable improvements (as defined in the Special Act) as more fully described herein for the

special benefit of the Parkland Royale II Assessment Area (collectively, the "Parkland Royale II Assessment Area Project"); and

**WHEREAS**, the District is authorized to provide the assessable improvements constituting the Parkland Royale II Assessment Area Project, to issue special assessment bonds (the "Bonds") to finance and refinance the costs of the acquisition, construction and installation of the Parkland Royale II Assessment Area Project, and to amortize those Bonds by the collection of non-ad valorem special assessments levied on assessable property within the Parkland Royale II Assessment Area specially benefited by the Parkland Royale II Assessment Area Project in accordance with subsection (2) of Section 42 of the Special Act and other applicable law (the "Special Assessments"); and

**WHEREAS**, the District anticipates that it shall finance and refinance all or a portion of the costs of the acquisition, construction and installation of the Parkland Royale II Assessment Area Project through the issuance of the Bonds, subject to separate proceedings of the Board relating thereto; and

**WHEREAS**, the District has ascertained and determined that special benefits shall accrue from the Parkland Royale II Assessment Area Project to the assessable parcels of property in the Parkland Royale II Assessment Area created hereby, over and above any general community-wide benefits, and that the duty per parcel to pay for these benefits shall be in proportion, that is, fairly and reasonably apportioned per parcel; and

**WHEREAS**, the District has determined that the Special Assessments shall not exceed the special benefits derived by the assessable property in the Parkland Royale II Assessment Area as a result of the Parkland Royale II Assessment Area Project.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of the North Springs Improvement District:

Section 1: This Resolution is adopted pursuant to the provisions of the Act.

Section 2: The Board hereby designates the "Parkland Royale II Assessment Area," as same is legally described on Exhibit A hereto, as a separate and distinct special assessment area within the boundaries of the District.

Section 3: The nature and related aspects of the Parkland Royale II Assessment Area Project, including the location of the improvements included therein by terminal points and routes, are as described and set forth in the Master Engineer's Report for Assessable Improvements in Parkland Royale II Assessment Area dated December 9, 2025 (the "Master Engineer's Report") prepared by the District's District Engineer (the "District Engineer") under the section entitled "Planned Improvements" and in the related exhibit included in the Master Engineer's Report. The Master Engineer's Report is attached hereto as "Exhibit B" and incorporated herein by reference. The assessable improvements comprising the Parkland Royale II Assessment Area Project are hereby ordered to be constructed pursuant to the provisions of Section 42 of the Special Act. The Master Engineer's Report is hereby approved and adopted. The preparation by the

District Engineer of the necessary plans and specifications for the Parkland Royale II Assessment Area Project as described in the Master Engineer's Report is hereby ratified and approved and the District confirms that a copy of said plans and specifications has been provided to the Secretary of the Board. Such plans and specifications shall be available for review by any interested party at the offices of the District, c/o of the District Manager, located at 9700 NW 52nd Street, Coral Springs, Florida 33076.

Section 4: As set forth in the Master Engineer's Report, the estimated cost of the Parkland Royale II Assessment Area Project is \$5,975,000.00 ("Total Cost"), which includes, in addition to the construction and acquisition cost of the Parkland Royale II Assessment Area Project, the following items of incidental expenses: (a) printing and publishing notices and proceedings; (b) costs of abstracts of title; and (c) other expenses necessary or proper in conducting the proceedings and the work provided for in Section 42 of the Special Act, including financing and refinancing costs and related costs of the Bonds, such as capitalized interest, debt service reserve and contingency.

Section 5: The District Engineer has prepared, in duplicate, a preliminary assessment roll (the "Assessment Roll") which contains a tentative apportionment of the estimated Total Cost of the Parkland Royale II Assessment Area Project as between the District and each assessable lot in the Parkland Royale II Assessment Area to be subject to the Special Assessments. Such Assessment Roll and apportionment are set forth in the Master Engineer's Report. A duplicate of the tentative apportionment shall be filed with the Secretary of the Board, and a duplicate shall remain available for public inspection at the District offices at the address herein above written. The person serving as the District Engineer from time to time shall retain said Assessment Roll in his or her files.

Section 6: It is hereby ascertained, determined and declared that the Parkland Royale II Assessment Area Project shall result in special benefits peculiar to the assessable lots in the Parkland Royale II Assessment Area involved, based upon a rational connection to the property, over and above any general community-wide benefit; it is further ascertained, determined and declared that among the special benefits so derived are the added use and enjoyment of the property.

Section 7: It is hereby ascertained, determined and declared that the apportionment of the duty of each assessable lot in the Parkland Royale II Assessment Area to pay the particular Special Assessments, the subject of this initial resolution, shall be based upon the apportionment in the Master Engineer's Report so that, thereby, the duty to pay is fairly and reasonably apportioned so as not to exceed the amount of special benefit peculiar to each assessable lot and so as to be fair and reasonable in proportion to all assessable lots on which the Special Assessments are levied.

Section 8: Commencing within the year the Special Assessments are first levied, such Special Assessments shall be paid in not more than twenty (20) annual installments (the "Annual Installments"), payable according to the terms to be set forth in the final assessment resolution; provided, however, any assessment may be paid before due in whole at any time, or in part, once during the term of the schedule of payment of the Annual Installments together with interest accrued thereon to the date of payment.

Section 9: The Secretary of the Board, having receipt of the plans and specifications for the Parkland Royale II Assessment Area Project and the tentative apportionment of the Total Cost as set forth in the Master Engineer's Report, shall publish a notice once in a newspaper published in Broward County and of general circulation in the District (the "Notice") stating that at a meeting of the Board shall be held on March 4, 2026 at 4:00 p.m. (the "Hearing Date") at which the Board sitting as an equalizing board, shall hear objections of all interested persons to the final confirmation of the Assessment Roll, and will finally confirm such Assessment Roll or take such action relative thereto as it deems necessary and advisable. The Notice, together with the preliminary Assessment Roll, shall be published at least twenty (20) days prior to the Hearing Date and shall contain the name of the District Board; a geographic depiction of the Parkland Royale II Assessment Area; the proposed schedule of the assessment; the fact that the assessment will be collected by the tax collector; a statement that all affected property owners have the right to appear at the public hearing and the right to file written objections within 20 days of the publication of the notice; and that the plans and specifications for the Parkland Royale II Assessment Area Project and the Master Engineer's Report detailing the Total Cost and the tentative apportionment of the Total Cost is on file with the Secretary of the Board and available for inspection at the offices of the District mentioned above.

Section 10: The Secretary of the Board is hereby directed to mail the preliminary Assessment Roll and Notice by first class mail, at least twenty (20) days prior to the Hearing Date, to each landowner of assessable land in the Parkland Royale II Assessment Area to be specially benefited by the acquisition, construction and installation of the Parkland Royale II Assessment Area Project and subject to the Special Assessments as a result thereof. These landowners shall be determined by reference to the last available tax roll of Broward County. The notice by mail shall include the following information: the purpose of the assessment; the total amount to be levied against each parcel; the unit of measurement to be applied against each parcel to determine the assessment; the number of such units contained within each parcel; the total revenue the District will collect by the assessment; a statement that failure to pay the assessment will cause a tax certificate to be issued against the property which may result in a loss of title; a statement that all affected property owners have a right to appear at the hearing and to file written objections with the local governing board within 20 days of the notice; and the date, time, and place of the hearing. The Secretary of the Board shall keep such further records and mail such further copies of the Notice to the extent required by subsection (2) of Section 42 of the Act.

Section 11: If any section or any part of any section of this Resolution shall be declared invalid or unconstitutional, the validity, enforceability and effect of any other section or part of any section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of any section of this resolution is wholly or necessarily dependent upon the section or part of any section so held to be invalid or unconstitutional.

Section 12: This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** by the Board of Supervisors of the North Springs Improvement District, this 7<sup>th</sup> Day of January, 2026.

**NORTH SPRINGS IMPROVEMENT DISTRICT**

**By:** \_\_\_\_\_  
Grace Solomon, President

**ATTEST:**

\_\_\_\_\_  
Anthony Avello, Secretary

**APPROVED AS TO LEGAL FORM:**

\_\_\_\_\_  
Brian Sherman, Assistant District Counsel



**EXHIBIT “A”**

**LEGAL DESCRIPTION**

**“PARKLAND ROYALE II ASSESSMENT AREA”**

**ALL OF THE HOMES AT PARKLAND ROYALE LESS TRACT P, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 183, PAGES 725 THROUGH 735 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA. CONTAINING 3,088,348.840 SQUARE FEET OR 70.89900 ACRES MORE OR LESS.**

**EXHIBIT “B”**

**MASTER ENGINEER’S REPORT**

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# **Master Engineer's Report for Public Assessable Infrastructure in Parkland Royale II Assessment Area**

**North Springs Improvement District**



December 9, 2025

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# Acronyms

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HOA   homeowner's association

LF   linear feet

NSID or the District   North Springs Improvement District

SFWMD   South Florida Water Management

## Introduction

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North Springs Improvement District (the “District” or “NSID”) was created in 1971 by special act of the Florida Legislature, currently Chapter 2005-341, Laws of Florida, as amended (the “Special Act” or the “Act”). Its boundaries have subsequently been expanded through amendments to the Act, including most recently in 2017. The District is located in the northwestern portion of Broward County, Florida, approximately 8 miles west of the Atlantic Ocean. The District is predominantly located within the City of Coral Springs and the City of Parkland, with a portion located in unincorporated Broward County. The District is bounded on the west by South Florida Water Management District’s (SFWMD’s) conservation Area Number 2A, on the south by Wiles Road, on the east by University Drive and the NSID Canal C-11, and on the north by Lox Road and Palm Beach County.

The District was created by the Florida Legislature to undertake a variety of improvements, including the reclamation and drainage of land, the provision of water management and flood control systems, the establishment of roads and highways, and the development of water and sewage facilities to enable the development of land within the District and to plan, to own, acquire, construct, reconstruct, equip, operate, maintain, extend, and improve or provide other “assessable improvements” as defined in the Special Act.

The purpose of this Master Engineer’s Report is to describe certain public assessable improvements, consisting of water distribution, sewage collection and reuse facilities (collectively, the “Assessable Improvements Project”), needed to serve the planned residential development in an assessment area within the District designated as the “Parkland Royale II Assessment Area” (sometimes also referred to herein as the “Assessment Area”). The Parkland Royale II Assessment Area is located wholly within the boundaries of the City of Parkland, Florida, in a portion of the District.

In addition to describing the Assessable Improvements Project, this Master Engineer’s Report sets forth the estimated cost of such Assessable Improvements Project and the apportionment of the costs of the Assessable Improvements Project to the assessable land in the Parkland Royale II Assessment Area.

The District anticipates issuing its Special Assessment Bonds, Series 2026 (the “Special Assessment Bonds”) to finance all or a portion of the cost of acquiring the Assessable Improvements Project from the Developer (hereinafter defined). The Special Assessment Bonds will be secured by revenues derived from the District’s levy and collection of non-ad valorem special assessments (the “Special Assessments”) with respect to the assessable land in the Parkland Royale II Assessment Area. The Special Assessment Bonds are being issued under the applicable provisions of the Act (in particular Section 42) and other applicable law.

This Master Engineer’s Report will be supplemented on a preliminary, interim basis for use in the preliminary limited offering memorandum relating to the Special Assessment Bonds and then on a final basis prior to the issuance of the Special Assessment Bonds. The final supplement to this Master Engineer’s Report will reflect the final pricing details of the Special Assessment Bonds, including the portion of the cost of the Assessable Improvements Project to be funded by the Special Assessment Bonds, the Special Assessments required to be levied annually as a result of the final pricing of the Special Assessment Bonds, using the apportionment methodology set forth herein and within the maximum annual assessment levels set forth herein, and provide updates to the status of construction of the Assessable Improvements Project.

## **Parkland Royale II Assessment Area**

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Exhibit 2-1 presents the District's boundaries.

Exhibit 2-2 presents a map of the Parkland Royale II Assessment Area and certain other assessment Areas in the District.

A legal description of the boundaries of the Parkland Royale II Assessment Area are presented in Appendix A.

As of the date hereof, all of the lots to be developed with single-family residential units in the Parkland Royale II Assessment Area have been platted. Only these platted lots will be subject to the Special Assessments to be levied by the District in connection with the financing of the Assessable Improvements Project. To the extent any publicly owned properties within or adjacent to, or within the vicinity of, the Assessment Area benefit from the Assessable Improvements Project, they will be not be considered assessable because the levy of Special Assessments on such properties would result in a duplication of charges to the assessable residential units in the Assessment Area. Other properties in the District, but outside of the Parkland Royale II Assessment Area, receive only incidental benefit from the Assessable Improvements Project.

### **2.1 Parkland Royale II Assessment Area**

The Parkland Royale II Assessment Area consists of approximately 74.86 gross acres located in a portion of Section 19. It is bounded on the east by the residential Four Seasons development, on the west by the L-36 Canal, on the south by the residential Parkland Bay development, and on the north by Lox Road. Once fully developed, the Parkland Royale II Assessment Area is expected to be comprised of 205 assessable single-family residential units, consisting of a combination of 53' lots (138 residential units) and 63' lots (67 residential units).

EXHIBIT 2-1  
District Boundary Map

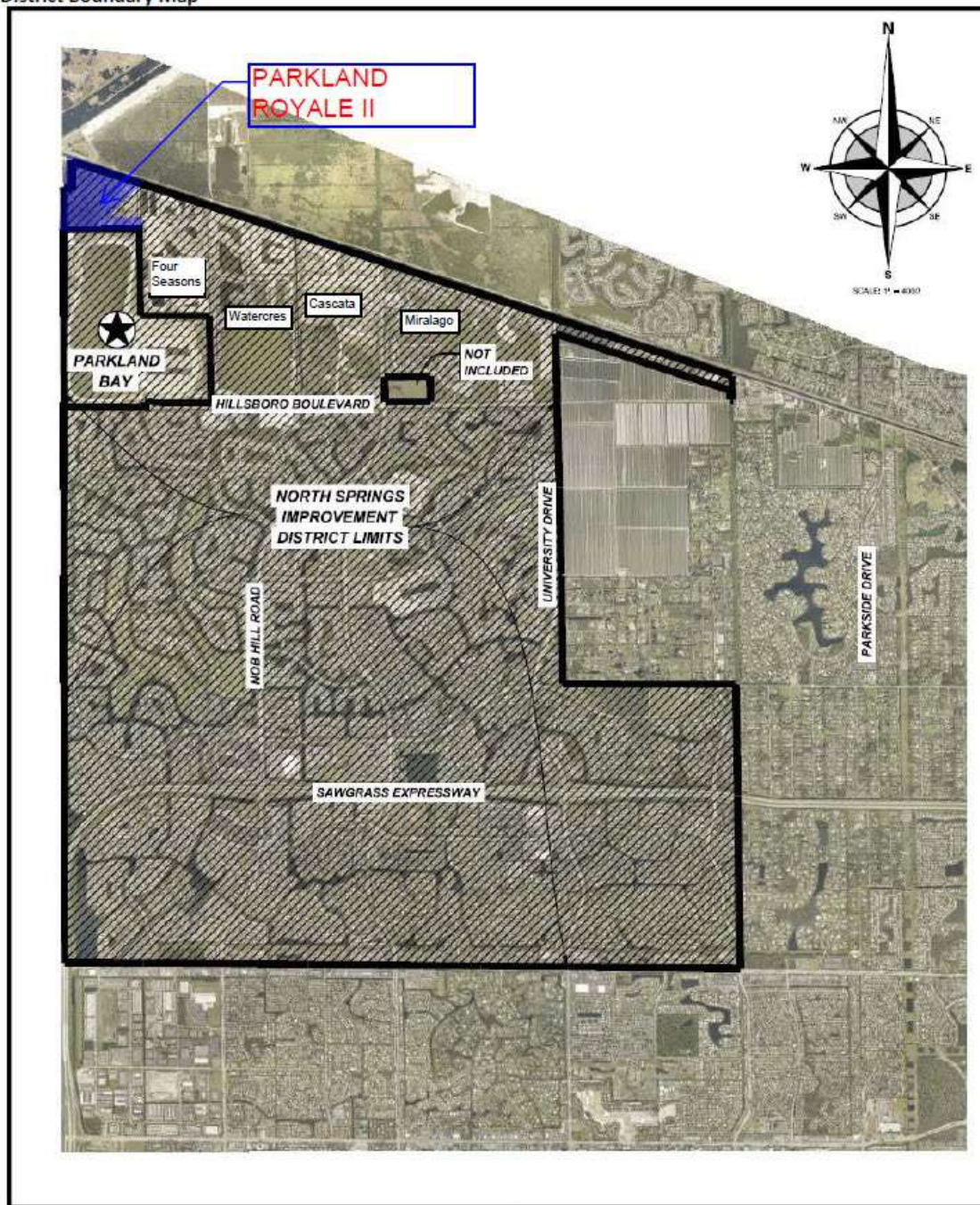




EXHIBIT 2-2  
Map of Parkland Royale II Assessment Area and certain other assessment areas

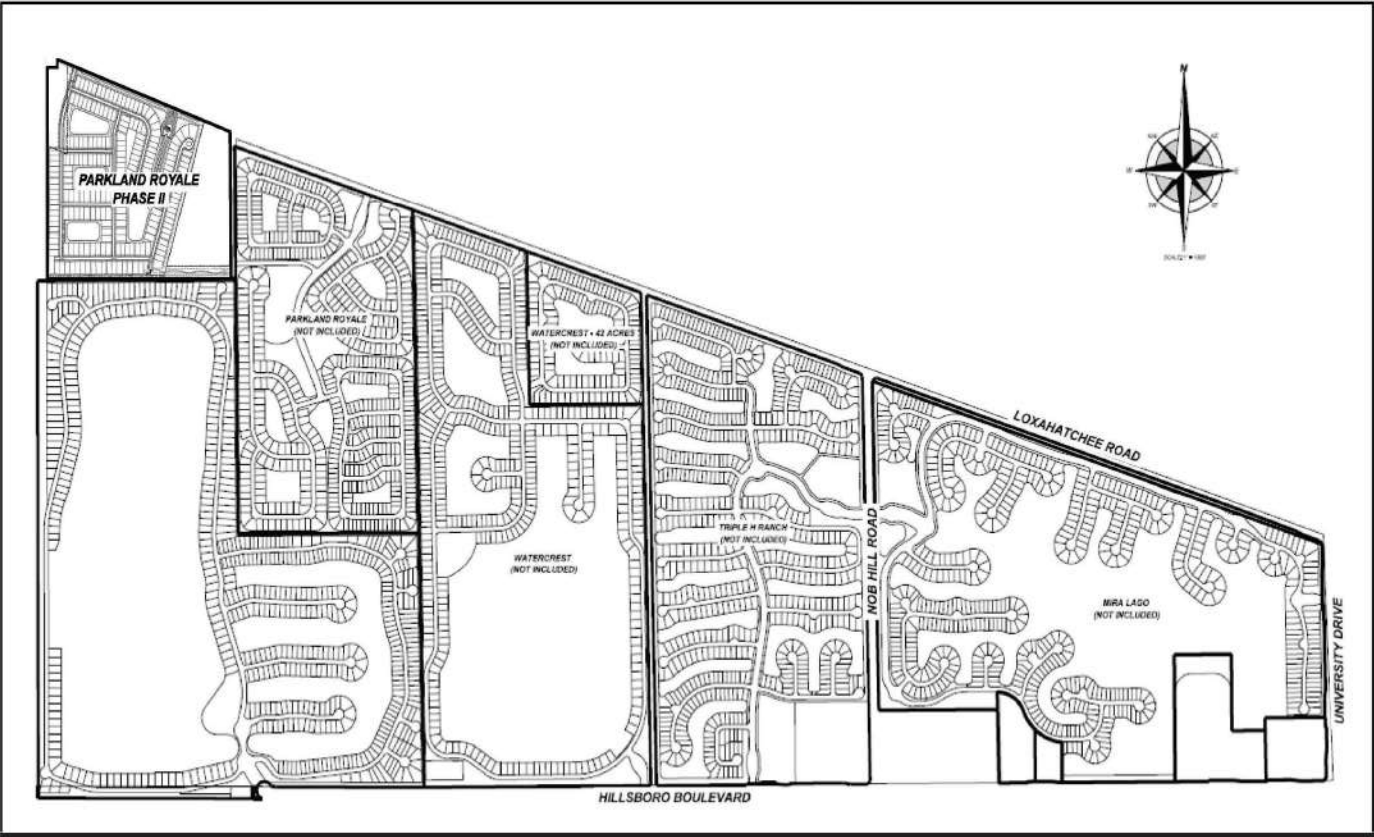


EXHIBIT 2-2  
Map of Parkland Royale Phase 2 Assessment Area

## Planned Improvements

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The Assessable Improvements Project have been, or will be, constructed by the developer of the Parkland Royale II Assessment Area (the “Developer”). The District will acquire from the Developer, pursuant to a written agreement (the “Acquisition Agreement”) to be entered into prior to the issuance of the Special Assessment Bonds, completed components of the Assessable Improvements Project with proceeds of the Special Assessment Bonds available for that purpose. Any portion of the Assessable Improvements Project not so acquired will be contributed by the Developer to the District and/or the Developer will provide funds to the District to permit it to fund any shortfall in amounts available from the Special Assessment Bonds to allow the District to complete such project, as provided in the Acquisition Agreement or another written agreement between the District and the Developer to be entered into prior to the issuance of the Special Assessment Bonds. The balance of any public and private improvements needed to serve the residential development planned for the Parkland Royale II Assessment Area and not described herein is expected to be provided by the Developer.

The Assessable Improvements Project described herein will be constructed and acquired in accordance with the schedule discussed in Section 3.5.1. All components of the Assessable Improvements Project financed by the Special Assessment Bonds will be located on public property, including within public right of way, or subject to public easements granted to the District, and owned and maintained by or on behalf of the District, Broward County, or the City of Parkland, and will be open or otherwise available to the general public. The following describes the components of the Assessable Improvements Project being funded all or in part by the Special Assessment Bonds, which are located within and outside the Parkland Royale II Assessment Area, and are needed to serve the residential development in the Parkland Royale II Assessment Area. The utility endpoints and routes and the location of the road described below are presented in Appendix B.

### 3.1 Water Distribution

The water distribution improvements that have been, or will be, constructed include water distribution lines and appurtenances, including valves, fittings, and fire hydrants. These water distribution facilities will be owned, operated, and maintained by or on behalf of the District as part of the potable water distribution and wastewater collection system owned and operated by the District. Onsite water distribution is comprised of 760 LF of 12-inch-diameter water main, 12,675 LF of 8-inch-diameter water main and 145 LF of 6-inch-diameter water main and associated appurtenances, including valves, fittings, services, and fire hydrants.

### 3.2 Sewage Collection

Wastewater collection lines that have been, or will be, constructed, include manholes, services, fittings, lift stations, and force mains. These wastewater collection facilities will be owned, operated, and maintained by or on behalf of the District as part of the potable water distribution and wastewater collection system owned and operated by the District. Onsite sewage collection is comprised of 8,465 LF of 8-inch and 4,230 LF of 6-inch-diameter sanitary sewer collection main and 36 manholes, as well as services, fittings, and 1,225 LF of 6-inch-diameter force main and 1 Lift Station.

### 3.3 Reuse Distribution

Reuse distribution improvements that have been, or will be constructed to provide reuse service to the Parkland Royale II Assessment Area include 12,425 LF of 8-inch diameter reuse main, as well as fittings, and appurtenances. These reuse distribution improvements will be owned, operated, and maintained by or on behalf of the District. Although required by development orders and/or development agreements applicable to the development in the Parkland Royale II Assessment Area, these improvements will not be put into service until such time as Broward County constructs lines to permit it to provide reuse service to the Parkland Royale II Assessment Area. In the interim, water for irrigation purposes for Parkland Royale II Assessment Area will be acquired from lakes within the District, at no charge.

### 3.4 Construction Costs

Exhibit 3-1 presents a summary of the total estimated construction costs for the Assessable Improvements Project. The construction costs presented herein were provided by the Developer to the District Engineer, based on an existing construction contract. Prior to acquiring any component of the Assessable Improvements Project, NSID will obtain a certification from its District Engineer that the cost to be paid therefore does not exceed the lower of the actual cost or fair market value of such component.

Construction of the Assessable Improvements Project has commenced and is substantially complete as of the date hereof. Construction of the Assessable Improvements Project is expected to be complete, and acquisition by the District of all completed components of the Assessable Improvements Project to be funded by the Special Assessment Bonds is expected to occur by December 2026.

#### EXHIBIT 3-1

##### **Parkland Royale II Assessment Area Assessable Improvements Project**

Water Distribution	\$1,916,871.00
Sewage Collection	\$1,429,263.00
Force Main	\$78,765.00
Lift Station	\$595,000.00
Reuse Distribution	\$1,141,867.00
<b>Total *</b>	<b>\$5,161,766.25</b>

\* Only the portion of the cost of the public assessable improvements available to be financed from the proceeds of the Special Assessment Bonds will be financed by the Special Assessment Bonds.

### 3.5 Apportionment of Benefits

The following discusses the apportionment of the benefits of the Assessable Improvements Project. Section 5 presents the actual apportionment of these benefits and resulting Special Assessments.

#### 3.5.1 Parkland Royale II Assessment Area

The Assessable Improvements Project will serve all of the planned residential single-family units in the

Parkland Royale II Assessment Area on an equivalent residential unit (ERU) basis. Accordingly, the Special Assessments will be allocated on an ERU basis, with 53' units being assigned an ERU factor of 1.0 and 63' units being assigned an ERU factor of 1.05, as reflected in Section 5.

## Permits and Approvals

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Permits, consents, or licenses that are required by governmental and regulatory authorities have been obtained for the Assessable Improvements Project.

## Apportionment of Estimated Cost

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### 5.1 Background

In accordance with Section 42 of the Special Act, the District Engineer is required to prepare the tentative apportionment as between the District and each lot or parcel of land to be assessed as a result of the public assessable improvements described herein of the estimated total cost of said assessable improvements, including estimated amount of discount, if any, financial expenses upon the sale of the assessment bonds or any other obligations for which special assessments are to be pledged, and interest prior to and until not more than 2 years after the completion of said assessable improvements. Following is the proposed tentative apportionment of the estimated total costs of the Assessable Improvements Project to the assessable land in the Parkland Royale II Assessment Area.

The Assessable Improvements Project has an estimated cost of \$5,161,766.25. The District Engineer has determined that the planned 53' and 63' single-family residential units within the Parkland Royale II Assessment Area will benefit on an applicable ERU basis from the Assessable Improvements Project as described in Section 3.5.1 and below.

As noted above, it is anticipated the District will issue the Special Assessment Bonds to pay all or a portion of the cost of the Assessable Improvements Project described herein; fund a capitalized interest account; fund a debt service reserve account; and pay issuance costs. Any components of the Assessable Improvements Project described herein not funded through the issuance of the Special Assessment Bonds will be contributed to the District by the Developer either directly or by the contribution of funds to permit the District to pay for any shortfalls in the amount available from the Special Assessment Bonds, pursuant to the Acquisition Agreement or another written agreement between the District and the Developer entered into prior to the issuance of the Special Assessment Bonds.

Exhibit 5-1 shows the estimated amount of the Special Assessment Bonds, along with the amount of funds to be generated for the project fund, the amount to be deposited to pay capitalized interest, the amount to be deposited to the debt service reserve account, and the amount to pay costs of issuance. The Special Assessment Bonds are payable from Special Assessments to be levied in 20 annual installments. Exhibit 5-2 shows the allocation of costs to each of the planned units in the Parkland Royale II Assessment Area on an ERU basis, the amount of debt allocated, and the per-unit annual Special Assessments for the Parkland Royale II Assessment Area. These matters are preliminary and subject to change, based upon the final details of the Special Assessment Bonds. Appendix C presents the preliminary assessment roll for the Parkland Royale II Assessment Area.

<b>EXHIBIT 5-1</b> <b>NORTH SPRINGS IMPROVEMENT DISTRICT</b> <b>SPECIAL ASSESSMENT BONDS - PARKLAND ROYALE II ASSESSMENT AREA</b> <b>BOND SIZING</b>
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**Preliminary, Subject to Change**

**Sources**

Bond Proceeds:

<b>Par Amount</b>	<b>\$</b>	<b>5,975,000.00</b>
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<b>Total Sources</b>	<b>\$</b>	<b>5,975,000.00</b>
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**Uses**

Project Fund	\$	5,161,766.25
Other Fund Deposits		
Reserve Fund	\$	239,167.50
Capitalized Interest Fund	\$	139,134.77
	\$	378,302.27
Delivery Date Expenses:		
Cost of Issuance	\$	315,000.00
Underwriter's Discount	\$	119,500.00
Other Uses of Funds	\$	434,500.00
Rounding	\$	431.48
<b>Total Uses</b>	<b>\$</b>	<b>5,975,000.00</b>

Interest Rate-Average	5.11%
Annual Payments	20
Capitalized interest	Through 11/1/2026
MADS	\$478,335.00

**Exhibit 5-2**  
**NORTH SPRINGS IMPROVEMENT DISTRICT**  
**SPECIAL ASSESSMENT BONDS - PARKLAND ROYAL II**  
**ALLOCATION OF COSTS**

Preliminary, Subject to Change

Land Use	Planned No. of Units	ERU	Total ERU's	Percent of ERU's	Total Assessable Improvement Costs	Total Assessable Improvement Costs per Unit
SF 53's	138	1.00	138.00	66.23%	\$ 3,418,880.45	\$ 24,774.50
SF 63's	67	1.05	70.35	33.77%	\$ 1,742,885.80	\$ 26,013.22
<b>Totals</b>	<b>205</b>		<b>208.35</b>	<b>100.00%</b>	<b>\$ 5,161,766.25</b>	

Land Use	Total Assessable Improvement Costs	Total Par Debt	Allocation of Par Debt per Unit	Net Maximum Annual Debt Service Total	Annual Debt Service Per Unit*
SF 53's	\$ 3,418,880.45	\$ 3,957,523	\$ 28,677.71	\$316,824	\$2,295.82
SF 63's	\$ 1,742,885.80	\$ 2,017,477	\$ 30,111.59	\$161,511	\$2,410.62
<b>Totals</b>	<b>\$ 5,161,766.25</b>	<b>\$ 5,975,000</b>	<b>\$ 58,789.30</b>	<b>\$478,335</b>	

\* This amount will be grossed up to include discounts for early payments and Broward County collection fees when collected on the Broward County tax bills, currently 7%.

## 5.2 Special Assessment True-Up Mechanism

The Special Assessments are calculated based on the proposed development plan for the Parkland Royale II Assessment Area. The Special Assessments will initially be assessed to platted lots in accordance with Exhibit 5-2. If there is a change to the development plan, the District will determine the amount of anticipated revenue that would be generated from the Special Assessments based on the revised development plan. If the total anticipated revenue to be generated is greater than or equal to the maximum annual debt service for the Special Assessment Bonds, then the Special Assessments will be adjusted downward. Should the revenue generated be less than the required amount for the Special Assessment Bonds, then a debt reduction payment by the applicable landowner in the amount necessary to reduce the par amount of the outstanding Special Assessment Bonds to a new maximum annual debt service that will be supported by the Special Assessments will be required.



## Conclusions

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Based on the information included in this report, it is the opinion of the undersigned that the proposed Assessable Improvements Project complies with the requirements of the City of Parkland, Broward County and the District.

The Assessable Improvements Project described herein provides special benefit to the planned residential lots in the Parkland Royale II Assessment Area, is needed for the development of the developable lands to serve such Assessment Area, and constitutes assessable improvements within the meaning of the Act.

As the overall plan is constructed, changes in location of certain works may be required to avoid conflict with development of land areas within the District. Such location changes will not jeopardize the benefits of the plan.

Maintenance and operational responsibilities of the District with respect to the Assessable Improvements Project will include the water distribution and sewage collection and reuse systems. The District may enter into a maintenance agreement with third parties or the applicable homeowner associations (HOAs) or similar entity for the maintenance of certain improvements. If the District enters into such maintenance agreements, the public assessable improvements will be maintained by the third party or applicable HOA; however, the District will retain the right to maintain such improvements.

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

**Jane C. Early, P.E.,  
District Engineer, North Springs Improvement  
District**

## **Appendix A**

### **Legal Description of the Boundary of Parkland Royale II**

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#### **Assessment Area**

ALL OF THE HOMES AT PARKLAND ROYALE LESS TRACT P, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 183, PAGES 725 THROUGH 735 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA.

CONTAINING 3,088,348.840 SQUARE FEET OR 70.89900 ACRES MORE OR LESS.

[illegible]

## Appendix C Preliminary Assessment Roll

## Assessment Roll - Special Assessment Bonds Parkland Royale II

[illegible]

[illegible]

\* This amount will be grossed up to include discounts for early payments and Broward County collection fees when collected on the Broward County tax bills, currently 7%.

## **FIFTH ORDER OF BUSINESS**

Public Hearing Declaring the District's Intent to Use the Uniform  
Method of Collection of Non-Ad Valorem Assessments to be  
Levied by the District with Respect to the Parkland Royale II  
Assessment Area

## **SIXTH ORDER OF BUSINESS**

Resolution No. 2026-04, Expressing the Intent of the District to Use the Uniform Method of Levy, Collection, and Enforcement of Non-Ad Valorem Assessments with Respect to the Parkland Royale II Assessment Area and Setting Forth the Legal Description of the Real Property within the District's Jurisdictional Boundaries that Shall be Subject to the Levy of Non-Ad Valorem Assessments



## **RESOLUTION 2026-04**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH SPRINGS IMPROVEMENT DISTRICT EXPRESSING THE INTENT OF THE DISTRICT TO USE THE UNIFORM METHOD OF LEVY, COLLECTION AND ENFORCEMENT OF NON-AD VALOREM ASSESSMENTS AS AUTHORIZED AND PERMITTED BY SECTION 197.3632, FLORIDA STATUTES; EXPRESSING THE NEED FOR THE LEVY OF NON-AD VALOREM ASSESSMENTS FOR CERTAIN LANDS IN THE DISTRICT TO BE DESIGNATED AS THE PARKLAND ROYALE II ASSESSMENT AREA AND SETTING FORTH THE LEGAL DESCRIPTION OF THE REAL PROPERTY WITHIN THE DISTRICT'S JURISDICTIONAL BOUNDARIES THAT MAY OR SHALL BE SUBJECT TO THE LEVY OF DISTRICT NON-AD VALOREM ASSESSMENTS**

**WHEREAS**, North Springs Improvement District (the "District") is a political corporation, independent special district and political subdivision of the State of Florida established pursuant to Chapter 2005-341, Laws of Florida, as amended and supplemented (the "Special Act"); and

**WHEREAS**, the District intends to utilize the Uniform Method for the levy, collection, and enforcement of a non-ad valorem special assessment ("Uniform Method") to finance and recover the costs associated with the construction, installation, and maintenance of the assessable improvements constituting the Parkland Royale II Assessment Area, more particularly described in Exhibit "A," attached hereto and incorporated herein, because this method provides an economical and efficient process for such special assessments to be collected annually, commencing with the Fiscal Year starting on October 1, 2026.

**WHEREAS**, Chapter 197, Florida Statutes, provides statutory authority for the usage by the North Springs Improvement District (the "District") of the uniform method of levying, collecting, and enforcing its non-ad valorem assessments for the Parkland Royale II Assessment Area; and

**WHEREAS**, Chapter 197, Florida Statutes, sets forth certain requirements which must be met by the District in order to use said uniform method of levying, collecting and enforcing its non-ad valorem assessments; and

**WHEREAS**, in accordance with Section 197.3632, Florida Statutes, the District has caused to be published in a newspaper of general circulation within Broward County, the county in which the District is located, weekly for four (4) consecutive weeks prior to the date of the public hearing, intent to use the Uniform Method for the collection of the assessment weekly in a newspaper of general circulation for four (4) consecutive weeks preceding the public hearing held the day hereof. Proof of publication of such hearing being attached hereto as Exhibit "B"; and

**WHEREAS**, the subject non-ad valorem assessments will in the future be required to be assessed and levied by the District in order to provide necessary funds for satisfying the lawful debt obligations of the District, but may also include financing, constructing, maintaining, and servicing the Improvements of the District; and

**WHEREAS**, the Board of Supervisors of the District has determined that it is in the best interest of the District for the District to elect to use the uniform method of levying, collection and enforcing non-ad valorem assessments as provided in Section 197.3632, Florida Statutes.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NORTH SPRINGS IMPROVEMENT DISTRICT, THAT:**

**Section 1.** The foregoing "WHEREAS" clauses are true and correct and hereby ratified and confirmed by the District Board of Supervisors.

**Section 2.** The District hereby adopts the Uniform Method for the levy, collection,

and enforcement of a non-ad valorem special assessment (“Uniform Method”) to finance and recover the costs associated with the construction, installation, and maintenance of the assessable improvements constituting the Parkland Royale II Assessment Area, more particularly described in Exhibit "A," attached hereto and incorporated herein, because this method provides an economical and efficient process for such special assessments to be collected annually, commencing with the Fiscal Year starting on October 1, 2026. The District also reserves the right to utilize any other method provided by law for the collection of non-ad valorem assessments.

**Section 3.** Non-ad valorem assessments will in the future be required to be assessed and levied by the District in order to provide necessary funds for satisfying the lawful debt obligations of the District, but may also include financing, constructing, maintaining, and servicing the Improvements of the District.

**Section 4.** Upon adoption, the District Clerk is hereby directed to send a copy of this Resolution by United States mail, certified return receipt requested, to the Tax Collector of Broward County, and the Broward County Property Appraiser by March 10, 2026, and Florida Department of Revenue.

**Section 5.** This resolution shall become effective immediately upon its adoption.

(REMAINDER INTENTIONALLY LEFT BLANK)

**PASSED AND ADOPTED** by the Board of Supervisors of the North Springs  
Improvement District, this 7<sup>th</sup> Day of January, 2026.

**NORTH SPRINGS IMPROVEMENT DISTRICT**

**By:** \_\_\_\_\_  
Grace Solomon, President

**ATTEST:**

\_\_\_\_\_  
Anthony Avello, Secretary

**APPROVED AS TO LEGAL FORM:**

\_\_\_\_\_  
Brian Sherman, Assistant District Counsel

## **EXHIBIT A**

### **Legal Description of the Boundaries of the Parkland Royale II Assessment Area**

**ALL OF THE HOMES AT PARKLAND ROYALE LESS TRACT P, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 183, PAGES 725 THROUGH 735 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA. CONTAINING 3,088,348.840 SQUARE FEET OR 70.89900 ACRES MORE OR LESS.**

## **EXHIBIT B**

### **Proof of Publication**

{To be attached upon receipt of affidavit}

## SEVENTH ORDER OF BUSINESS

Resolution No. 2026-05, Authorizing the Issuance in One or More Series of the District's Special Assessment Bonds with Respect to the Parkland Royale II Assessment Area, Subject to Subsequent Proceedings of the Board, Approving a Form of Master Trust Indenture, and Authorizing Seeking Judicial Validation, Amount other Matters

## **RESOLUTION NO. 2026-05**

**A RESOLUTION OF THE NORTH SPRINGS IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$5,975,000 IN AGGREGATE PRINCIPAL AMOUNT OF ITS SPECIAL ASSESSMENT BONDS (PARKLAND ROYALE II ASSESSMENT AREA PROJECT), IN ONE OR MORE SERIES, TO FINANCE AND REFINANCE THE COST OF PUBLIC ASSESSABLE INFRASTRUCTURE AND FACILITIES FOR AN ASSESSMENT AREA WITHIN THE PORTION OF THE DISTRICT'S BOUNDARIES DESIGNATED AS THE PARKLAND ROYALE II ASSESSMENT AREA AND FOR REFUNDING PURPOSES; APPROVING THE FORM OF AND AUTHORIZING EXECUTION OF A MASTER TRUST INDENTURE RELATING TO THE BONDS AND APPOINTING A TRUSTEE, PAYING AGENT AND REGISTRAR FOR THE BONDS; APPROVING THE FORM OF AND AUTHORIZING EXECUTION OF THE BONDS; AUTHORIZING SEEKING JUDICIAL VALIDATION OF THE BONDS; PROVIDING FOR THE NEGOTIATED SALE OF SUCH BONDS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NORTH SPRINGS IMPROVEMENT DISTRICT:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** The Board of Supervisors (the "Board") of the North Springs Improvement District (the "Issuer") is authorized to adopt this Resolution under the authority granted by the provisions of Chapter 2005-341, Laws of Florida, as supplemented and amended (the "Special Act"), Chapter 298, Florida Statutes, as amended, the Florida Constitution and other applicable provisions of law (collectively, the "Act"). All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the hereinafter defined Master Indenture.

### **SECTION 2. FINDINGS.**

A. The Issuer is a public corporation, independent special district and political subdivision of the State of Florida established pursuant to the Special Act and other applicable law.

B. The Issuer has the power and authority under the Act to issue special assessment bonds and to use the proceeds thereof to finance the cost of acquiring and constructing Assessable Improvements (as defined in the Special Act) and to levy and collect non-ad valorem special assessments.

C. The Master Engineer's Report, in the form approved by the Issuer, describes various Assessable Improvements specially benefiting an assessment area described therein located within the Issuer's boundaries and designated as the "Parkland Royale II Assessment Area" (also referred to herein as the "Assessment Area"), which Assessment Area has been established by a resolution



of the Issuer. The Master Special Assessment Methodology included in the Master Engineer's Report allocates the special benefit to the assessable lands in the Assessment Area resulting from the implementation of the Assessable Improvements described in the Master Engineer's Report (defined therein, and referred to herein, as the "Assessable Improvements Project").

D. The Issuer hereby finds and determines that acquisition and construction of each Series Project and Additional Series Project relating to the Assessable Improvements Project is and will be necessary and desirable in serving the goal of the Issuer of properly managing the acquisition, construction, and operation of the Assessable Improvements Project benefiting the Assessment Area, as described in the Master Engineer's Report.

E. The Issuer desires to authorize the issuance of its Bonds in one or more Series pursuant to the Master Indenture, as same shall be supplemented by a Supplemental Indenture relating to each Series of Bonds, to finance and refinance the Cost of Series Projects and Additional Series Projects relating to the Assessable Improvements Project, and for refunding purposes, as permitted by, and in accordance with, the Act.

F. The Issuer now desires to authorize and approve the Master Indenture and various instruments in connection with the Bonds and to provide for seeking the judicial validation of the Bonds and for other authority and related matters, as set forth herein.

G. The Issuer desires to appoint U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as Trustee, Paying Agent, and Registrar with respect to the Bonds.

H. The Issuer desires to provide for the negotiated sale of the Bonds.

**SECTION 3. AUTHORIZATION OF THE BONDS.** The Issuer hereby authorizes the issuance of the Bonds for the purpose of financing and refinancing all or a part of the Cost of a Series Project or Additional Series Project (which consist generally, of the public capital infrastructure facilities and improvements related to the Assessable Improvements Project specially benefitting all of the assessable lands in the Assessment Area), as described in the Master Engineer's Report, and for refunding Bonds of a Series.

The Bonds shall be issued from time to time, in one or more Series, pursuant to the Master Indenture and designated as the "North Springs Improvement District (Broward County, Florida) Special Assessment Bonds, Series [ ] (Parkland Royale II Assessment Area Project)" (the final name and series designation(s) to be as set forth in a Supplemental Indenture relating to the Bonds of such Series). The aggregate principal amount of the Bonds which may be issued pursuant to the Master Indenture is unlimited, however, the Bonds to initially be subject to judicial validation shall not exceed an aggregate principal amount of \$5,975,000 and, after the initial Series of Bonds is issued under the Master Indenture, other than a Series of Bonds issued to refund, all or in part, a Series of Bonds, no additional Bonds shall be issued under the Master Indenture without an amendment or supplement to this Resolution and additional judicial validation to the extent required by applicable law.

The issuance of the Bonds of a Series, and the details of the Bonds of each Series, including the aggregate principal amount of such Bonds, the per annum rates of interest of such Bonds, which shall not exceed the maximum rate permitted by law, the dated dates and maturity dates of such

Bonds, which shall not exceed the latest date permitted by the Act and other applicable law, and the related redemption provisions, shall be as provided in a Supplemental Indenture relating to such Series of Bonds approved by subsequent resolution of the Issuer. Each Series of Bonds shall be substantially in the form of the bond attached to the Master Indenture. Each Series of Bonds shall be executed in the manner provided in the Master Indenture. Prior to the issuance of the Bonds of a Series, the Issuer shall comply with the applicable conditions precedent to the issuance of Bonds set forth in the Master Indenture, as may be modified by the applicable Supplemental Indenture.

A Supplemental Indenture shall specify whether a book-entry-only system of registration is authorized for a related Series of Bonds. So long as the Issuer shall maintain a book-entry-only system with respect to any Bonds, the provisions of Section 2.12 of the Master Indenture shall apply thereto.

**SECTION 4. AUTHORIZATION OF MASTER INDENTURE; APPOINTMENT OF TRUSTEE.** The Issuer hereby approves the Master Trust Indenture between the Issuer and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as Trustee, in substantially the form submitted at this meeting and attached hereto as Exhibit A (the "Master Indenture"), and the execution of the Master Indenture by the President or the Vice-President of the Board or their respective designee (collectively, the "President") and the attestation by the Secretary or any Assistant Secretary of the Board (collectively, the "Secretary"), with such modifications, changes, insertions and deletions therein (including the date of the Master Indenture) as are necessary or desirable in connection with the Bonds, as shall be approved by the officer of the Issuer executing the same, in consultation with the Issuer's General Counsel and Bond Counsel. The Issuer hereby appoints U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida to serve as the Trustee under the Master Indenture (the "Trustee"). The Trustee shall also serve as the Paying Agent and Registrar under the Master Indenture. The execution and delivery of the Master Indenture by the President shall constitute conclusive evidence of the Issuer's approval thereof.

**SECTION 5. BOND VALIDATION.** The Issuer's General Counsel and Bond Counsel are hereby authorized and directed to take appropriate proceedings in the Circuit Court in and for Broward County, Florida, to seek judicial validation and undertake the proceedings incident thereto for the Bonds in the aggregate principal amount specified in Section 3 hereof. The President is authorized to sign any pleadings and to offer testimony in any such proceedings for and on behalf of the Issuer. The other members of the Board, the officers of the Issuer and the agents and employees of the Issuer, including, without limitation, the Issuer's District Manager and Consulting Engineers, are hereby also authorized to offer testimony for and on behalf of the Issuer in connection with any such validation proceedings.

**SECTION 6. SALE OF BONDS.** Due to the present volatility of the market for tax-exempt obligations such as the Bonds, it is in the best interest of the Issuer to sell the Bonds by a negotiated sale, rather than at a specified advertised date, in order to permit the Issuer to enter the market at the most advantageous time and to obtain the best possible price and interest rate for the Bonds. MBS Capital Markets, LLC is hereby approved as the underwriter of the Bonds (the "Underwriter"). The Bonds of each Series shall be sold to the Underwriter from time to time upon

such terms and conditions as shall be approved by or as set forth in a resolution of the Issuer relating to each Series of the Bonds adopted prior to the issuance thereof.

**SECTION 7. MISCELLANEOUS.** The President and Secretary, the Issuer's General Counsel, Bond Counsel, District Manager, Consulting Engineers, and other authorized officers of the Issuer are authorized and directed to execute and deliver all documents, contracts, instruments and certificates and to take all actions and steps on behalf of the Issuer that are necessary or desirable in connection with the Master Indenture, the Bonds, the judicial validation authorized herein, or otherwise in connection with any of the foregoing, which are not inconsistent with the terms and provisions of this Resolution or the Master Indenture.

**SECTION 8. SEVERABILITY.** Should any sentence, section, clause, part or provision of this Resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this Resolution as a whole. or any part thereof, other than the part declared invalid.

**SECTION 9. EFFECTIVE DATE.** This Resolution shall be effective immediately.

**PASSED AND ADOPTED** at a meeting of the Board of Supervisors of the North Springs Improvement District this 7th day of January, 2026.

**NORTH SPRINGS IMPROVEMENT  
DISTRICT**

[SEAL]

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

**APPROVED AS TO LEGAL FORM:**

\_\_\_\_\_  
Brian Sherman, Assistant District Counsel

**EXHIBIT A**  
**FORM OF THE MASTER INDENTURE**

**MASTER TRUST INDENTURE**

---

**between**

**NORTH SPRINGS IMPROVEMENT DISTRICT**

**and**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
As Trustee**

---

**Dated as of [\_\_\_\_\_] 1, 2026**

---

**relating to**

**NORTH SPRINGS IMPROVEMENT DISTRICT  
(BROWARD COUNTY, FLORIDA)  
SPECIAL ASSESSMENT BONDS  
(PARKLAND ROYALE II ASSESSMENT AREA)**

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**THIS MASTER TRUST INDENTURE** dated as of [\_\_\_\_\_] 1, 2026 (the "Master Indenture") is entered into by and between **NORTH SPRINGS IMPROVEMENT DISTRICT** (the "Issuer"), a public corporation and independent special district organized and existing under the laws of the State of Florida, and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America and having corporate trust offices in Fort Lauderdale, Florida (said national banking association and any bank or trust company becoming successor trustee under this Master Indenture being hereinafter referred to as the "Trustee"). Except to the extent the context clearly indicates otherwise, terms defined (i.e. capitalized) in this Indenture shall have the meaning ascribed thereto herein.

#### **W I T N E S S E T H:**

**WHEREAS**, the Issuer is a public corporation, independent special district and political subdivision of the State of Florida, duly organized, created, established and existing under the provisions of Chapter 2005-341, Laws of Florida, as amended and supplemented, for the purpose, among other things, of financing, refinancing and managing the acquisition, construction, maintenance, and operation of Assessable Improvements authorized by the Act; and

**WHEREAS**, the Issuer has heretofore approved the Master Engineer's Report, which describes the Assessable Improvements for the Parkland Royale II Assessment Area and the estimated costs thereof, and which includes the Master Special Assessment Methodology, which allocates the estimated costs of the applicable Assessable Improvements and related financing costs to such Assessment Area to the extent specially benefited thereby; and

**WHEREAS**, the Issuer has the power and authority under the Act to issue special assessment bonds and to use the proceeds thereof to finance the cost of acquiring and constructing assessable improvements (as defined in the Act) and to levy and collect Special Assessments; and

**WHEREAS**, pursuant to the Authorizing Resolution, the Issuer has found and determined that acquisition and construction of each Series Project and Additional Series Project is and will be necessary and desirable in serving the goal of the Issuer of properly managing the acquisition, construction, and operation of the Assessable Improvements specially benefiting the Assessment Area and desires to provide herein for the issuance of Bonds in various Series for the purpose financing and/or refinancing each such Series Project and Additional Series Project;

**NOW, THEREFORE, THIS MASTER TRUST INDENTURE WITNESSETH:**

#### **GRANTING CLAUSES**

That the Issuer, in consideration of the premises and acceptance by the Trustee of the trusts hereby created and the purchase and acceptance of the Bonds by the Owners, and of the sum of ten dollars (\$10.00), lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of this Master Indenture, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds of each and every Series issued hereunder according to their tenor and effect and to secure the performance and observance by the Issuer of all of the covenants expressed or implied herein, in the applicable Supplemental Indenture authorizing the issuance of such Series of Bonds and in the Bonds of such Series, does

hereby assign and grant a security interest in the following (herein called the "Trust Estate") to the Trustee and its successors in trust, and assigns forever, for the securing of the performance of the obligations of the Issuer herein set forth: (i) the Pledged Revenues and Pledged Funds; and (ii) any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted or delivered to, or deposited with, the Trustee as security for any Series of Bonds issued pursuant to this Master Indenture by the Issuer or anyone on its behalf or with its consent, or which pursuant to any of the provisions hereof or of the applicable Supplemental Indenture securing such Series of Bonds may come into the possession or control of the Trustee or of a lawfully appointed receiver, as such additional security, and the Trustee is hereby authorized to receive any and all such property as and for security for the payment of such Series of Bonds and the interest and premium, if any, thereon, and to hold and apply all such property subject to the terms hereof, it being expressly understood and agreed that the Trust Estate established and held hereunder for Bonds of a Series shall be held separate and in trust solely for the benefit of the Owners of the Bonds of such Series, Additional Bonds of such Series and other obligations issued expressly on parity therewith and for no other Series;

**TO HAVE AND TO HOLD** the Trust Estate, whether now owned or held or hereafter acquired, forever;

**IN TRUST NEVERTHELESS**, upon the terms and trusts herein set forth (a) for the equal and proportionate benefit and security of all present and future Owners of the Bonds of a Series, without preference of any Bond of such Series over any other Bond of such Series, (b) for enforcement of the payment of the Bonds of each and every Series, in accordance with their terms and the terms of this Master Indenture and the Supplemental Indenture authorizing the issuance of such Series of Bonds, and all other sums payable hereunder, under the Supplemental Indenture authorizing such Series of Bonds or on the Bonds of such Series, and (c) for the enforcement of and compliance with the obligations, covenants and conditions of this Master Indenture except as otherwise expressly provided herein or in a Supplemental Indenture with respect to a Series of Bonds, as if all the Bonds of every Series at any time Outstanding had been authenticated, executed and delivered simultaneously with the execution and delivery of this Master Indenture, all as herein set forth.

**IT IS HEREBY COVENANTED, DECLARED AND AGREED** (a) that this Master Indenture creates a continuing lien equally and ratably to secure the payment in full of the principal of, premium, if any, and interest on all Bonds of a Series which may from time to time be Outstanding hereunder, except as otherwise expressly provided herein or in a Supplemental Indenture, (b) that the Trust Estate shall immediately be subject to the lien of this pledge and assignment without any physical delivery thereof or further act, (c) that the lien of this pledge and assignment shall be a first lien and shall be valid and binding against all parties having any claims of any kind in tort, contract or otherwise against the Issuer, irrespective of whether such parties have notice thereof, and (d) that the Bonds of a Series are to be issued, authenticated and delivered, and that the Trust Estate is to be held, dealt with, and disposed of by the Trustee, upon and subject to the terms, covenants, conditions, uses, agreements and trusts set forth in this Master Indenture and the Issuer covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective Owners from time to time of the Bonds of each respective Series, as follows:

## **ARTICLE I DEFINITIONS**

In this Master Indenture and any Supplemental Indenture (except as otherwise expressly provided or unless the context otherwise requires) the following terms shall have the meanings specified below:

"Account" shall mean any account established pursuant to this Master Indenture and any Supplemental Indenture.

"Accreted Value" shall mean, as of the date of computation with respect to any Capital Appreciation Bonds, an amount (truncated to three (3) decimal places) equal to the original principal amount of such Capital Appreciation Bonds at the date of issuance plus the interest accrued on such Bonds from the date of original issuance of such Capital Appreciation Bonds to the date of computation, such interest to accrue at the rate of interest per annum of the Capital Appreciation Bonds (or in accordance with a table of compound accreted values set forth in such Capital Appreciation Bonds), compounded semi-annually on each Interest Payment Date; provided, however, that if the date with respect to which any such computation is made is not an Interest Payment Date, the Accreted Value of any Bond as of such date shall be the amount determined by compounding the Accreted Value of such Bond as of the immediately preceding Interest Payment Date (or the date of original issuance if the date of computation is prior to the first Interest Payment Date succeeding the date of original issuance) at the rate of interest per annum of the Capital Appreciation Bonds for the partial semi-annual compounding period determined by dividing (x) the number of days elapsed (determined on the basis of a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months) from the immediately preceding Interest Payment Date (or the date of original issuance if the date of computation is prior to the first Interest Payment Date succeeding the date of original issuance), by (y) one hundred eighty (180). A table of Accreted Values for the Capital Appreciation Bonds shall be incorporated in a Supplemental Indenture executed by the Issuer at or prior to the time of issuance of any Capital Appreciation Bonds.

"Act" shall mean the Special Act, Chapter 298, Florida Statutes, as amended, any successor laws or statutes thereto, the Florida Constitution and other applicable provisions of law.

"Additional Bonds" shall mean Bonds of a Series, including Completion Bonds, authenticated and delivered in accordance with the terms hereof and of any Supplemental Indenture relating to the Series of Bonds with which the Additional Bonds are being issued on a *pari passu* basis.

"Additional Series Project" shall mean the acquisition, construction, equipping and/or improving of any additions, extensions, improvements and betterments to and reconstructions of a Series Project to be financed, in whole or in part, from the proceeds of any Additional Bonds or Subordinated Debt.

"Amortization Installments" shall mean the moneys required to be deposited in the Series Principal Account within the Debt Service Fund for the purpose of redeeming when due any Term Bonds of a Series, the specific amounts and dates of such deposits to be set forth in a Supplemental Indenture.

"Annual Budget" shall mean the Issuer's budget of current operating and maintenance expenses for each Series Project and Additional Series Project for a Fiscal Year, adopted pursuant to the provisions of Section 8.15 of this Master Indenture, as the same may be amended from time to time.

"Assessable Improvements" or "Assessable Improvements Project" shall mean all public infrastructure facilities, improvements and services authorized to be undertaken by the Issuer as "assessable improvements" by the Act, including Section 42 of the Special Act as described in the Master Engineer's Report.

"Assessment Area" or "Parkland Royale II Assessment Area" shall mean the lands within the Issuer designated by resolution of the Board as the Parkland Royale II Assessment Area to be specially benefited by a Series Project or Additional Series Project comprising Assessable Improvements and subject to Special Assessments as a result thereof, as such Assessment Area is more fully described in the Supplemental Indenture authorizing the issuance of a Series of Bonds to finance the Series Project or Additional Series Project specially benefiting such Assessment Area.

"Assessments" shall mean the Special Assessments.

"Authenticating Agent" shall mean the agent so described in, and appointed pursuant to, Section 2.04 hereof.

"Authorized Denomination" shall mean, with respect to a Series of Bonds, initially (i.e., at the time of sale by the Participating Underwriters to the initial purchasers of the Bonds of such Series) a denomination of \$100,000 and integral multiples of \$5,000 in excess thereof and, thereafter, a denomination of \$5,000 and integral multiples thereof, provided, however, so long as the Bonds of such Series carry an investment grade rating from Moody's or S&P, "Authorized Denominations" shall mean a denomination of \$5,000 and integral multiples thereof.

"Authorizing Resolution" shall mean Resolution No. 2026-[ ] of the Board adopted on January 7, 2026.

"Beneficial Owners" shall have the meaning given such term by The Depository Trust Company so long as it is the registered Owner through its nominee Cede & Co of the Series of Bonds as to which such reference is made to enable such Series of Bonds to be held in book-entry only form, and, shall otherwise mean the registered Owner on the registration books of the Issuer maintained by the Registrar.

"Board" shall mean the Board of Supervisors of the Issuer.

"Bond Counsel" shall mean legal counsel of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and their political subdivisions.

"Bond Year" shall mean unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, the period commencing on the first day of May in each year and ending on the last day of April of the following year; provided that the first Bond Year for a Series will commence on the date of issuance thereof and end on the next April 30.

"Bondholder," "Holder of Bonds," "Holder" or "Owner" or any similar term shall mean any Person or Persons who shall be the registered owner of any Outstanding Bond or Bonds of a Series, as evidenced on the Bond Register of the Issuer kept by the Registrar for such Series.

"Bond Register" shall have the meaning specified in Section 2.05 of this Master Indenture.

"Bonds" or "Bond" shall mean the Outstanding Bonds of all Series, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof, regardless of variations of maturity, interest rate or other provisions and, except where the context clearly requires otherwise, shall include bond anticipation notes issued in anticipation thereof.

"Business Day" shall mean any day other than a Saturday or Sunday or legal holiday or a day on which the principal office of the Issuer, the Trustee, any Registrar or any Paying Agent is closed.

"Capital Appreciation Bonds" shall mean Bonds issued under this Master Indenture and any Supplemental Indenture as to which interest is compounded periodically on each of the applicable periodic dates designated for compounding and payable in an amount equal to the then-current Accreted Value only at the maturity or earlier redemption thereof, all as so designated in a Supplemental Indenture of the Issuer providing for the issuance thereof.

"Capitalized Interest" shall mean the amount of proceeds of a Series of Bonds set aside to pay interest costs on that Series of Bonds, in such amount and for such period as is specified in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Certified Public Accountant" shall mean a Person, who shall be Independent, appointed by the Board, actively engaged in the business of public accounting and duly certified as a certified public accountant under the laws of the State.

"Certified Resolution" or "Certified Resolution of the Issuer" shall mean a copy of one or more resolutions certified by the Secretary or an Assistant Secretary of the Board of the Issuer, under its seal, to have been duly adopted by the Board and to be in full force and effect as of the date of such certification.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the applicable United States Treasury Department regulations promulgated thereunder.

"Completion Bonds" shall mean Bonds issued pursuant to a Supplemental Indenture ranking on a parity with the Series of Bonds issued under such Supplemental Indenture, the proceeds of which are to be used to complete a Series Project or Additional Series Project.

"Consultant" shall mean a Person, who shall be Independent, appointed by the Board, qualified to pass upon questions relating to local government entities and having a favorable reputation for skill and experience in the financial affairs of local government entities.

"Consultant's Certificate" shall mean a certificate or a report prepared in accordance with then applicable professional standards duly executed by a Consultant.

"Consulting Engineer" shall mean the engineer or engineering firm or corporation at the time employed by the Issuer under the provisions of Section 8.16 of this Master Indenture to perform and

carry out duties imposed on the Consulting Engineer by this Master Indenture. The engineer at the time serving as the engineer to the Issuer may serve as Consulting Engineer under this Master Indenture.

"Continuing Disclosure Agreement" shall mean a Continuing Disclosure Agreement entered into between the Issuer and the dissemination agent thereunder (and which may also obligate additional parties that are signatories thereto) pursuant to the requirements of the Rule in connection with the issuance of a Series of Bonds hereunder.

"Cost" or "Costs" in connection with a Series Project or any portion thereof or an Additional Series Project or any portion thereof shall mean all expenses which are properly chargeable thereto under Generally Accepted Accounting Principles or which are incidental to the planning, financing, funding, acquisition, construction, reconstruction, equipping and installation thereof, including, without limiting the generality of the foregoing:

- (a) expenses of determining the feasibility or practicality of acquisition, construction or reconstruction;
- (b) cost of surveys, estimates, plans and specifications;
- (c) cost of improvements;
- (d) engineering, architectural, fiscal, legal, accounting and other professional and advisory expenses and charges;
- (e) cost of all labor, materials, machinery and equipment (including, without limitation, (i) amounts payable to contractors, builders and materialmen and costs incident to the award of contracts and (ii) the cost of labor, facilities and services furnished by the Issuer and its employees, materials and supplies purchased by the Issuer);
- (f) cost of all lands and properties, rights, easements and franchises acquired including, without limitation, any and all costs associated with acquiring the lands, properties, rights, easements or franchises through eminent domain proceedings;
- (g) financing charges;
- (h) creation of initial reserves and debt service funds;
- (i) working capital;
- (j) interest charges incurred or estimated to be incurred on money borrowed prior to and during construction and acquisition and for such reasonable period of time after completion of construction or acquisition as the Board may determine;
- (k) the cost of issuance of the Bonds issued to finance the Series Project or Additional Series Project, including, without limitation, advertisements and printing;
- (l) the cost of any election held pursuant to the Act and all other expenses of issuance of the Bonds issued to finance the Series Project or Additional Series Project;

(m) the discount, if any, on the sale or exchange of Bonds issued to finance the Series Project or Additional Series Project;

(n) amounts required to repay temporary or bond anticipation loans made to finance any costs permitted under the Act;

(o) costs of prior improvements made or acquired by the Issuer in anticipation of the Series Project or Additional Series Project;

(p) taxes, assessments and similar governmental charges during construction or reconstruction of a Series Project or Additional Series Project;

(q) costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services, or any other Person, for a default or breach under the corresponding contract, or in connection with any other dispute;

(r) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(s) payments, contributions, dedications and any other exactions required as a condition to receive any government approval or permit;

(t) cost of permits and licenses obtained by the Issuer;

(u) mitigation costs;

(v) administrative expenses related to a Series Project or Additional Series Project;

(w) such other expenses as may be necessary or incidental to the acquisition, construction, or to the repair, restoration, replacement or reconstruction of the Series Project or Additional Series Project or to the financing thereof, or to the development of any lands in the Issuer within the Assessment Area; and

(x) any other "cost" or expense as provided by the Act.

In connection with the refunding or redeeming of any Bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in (d), (k), (l), (m) and (n) above, and other expenses related to the redemption of the Bonds to be redeemed and the Redemption Price of such Bonds (and the accrued interest payable on redemption to the extent not otherwise provided for). Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to the Issuer or any other Person who has paid the same.

"Costs of Issuance Fund" shall mean the fund so designated in and created pursuant to Section 4.03 hereof.



"Counsel" shall mean an attorney-at-law or law firm (who may be counsel for the Issuer) not unsatisfactory to the Trustee.

"County" shall mean Broward County, Florida.

"Credit Facility" shall mean any credit enhancement mechanism such as an irrevocable letter of credit, a surety bond, a policy of municipal bond insurance, a corporate or other guaranty, a repurchase agreement, a liquidity agreement, a credit agreement or deficiency agreement or other similar facility applicable to a Series of Bonds, pursuant to which the entity providing such facility agrees to provide funds to make payment of the principal of and interest on such Series of Bonds. Notwithstanding anything to the contrary contained in this Master Indenture, any Series of Bonds may be issued without a Credit Facility; the decision to provide a Credit Facility in respect of any Series of Bonds shall be within the absolute discretion of the Issuer.

"Credit Facility Agreement" shall mean any agreement pursuant to which a Credit Facility Issuer issues a Credit Facility.

"Credit Facility Issuer" shall mean the issuer or guarantor of any Credit Facility.

"Date of Completion" shall mean, with respect to a Series Project or Additional Series Project, (i) the date on which such Series Project or Additional Series Project, and all components thereof, have been acquired or constructed and are capable of performing the functions for which they were intended, as evidenced by a certificate of the Consulting Engineer filed with the Trustee and the Issuer; or (ii) the date on which the Issuer determines, upon the recommendation of, or in consultation with, the Consulting Engineer, that it cannot complete the Series Project or Additional Series Project, in a sound and economical manner within a reasonable period of time as evidenced by a certificate of the Consulting Engineer filed with the Trustee and the Issuer; provided that in each case such certificate of the Consulting Engineer shall set forth the amount of all Costs of such Series Project or Additional Series Project, which has theretofore been incurred, but which on the Date of Completion are or will be unpaid or unreimbursed.

"Debt Service Fund" shall mean the Fund so designated which is established pursuant to Section 5.02 hereof.

"Debt Service Requirements," shall mean with respect to a Series of Bonds and with reference to a specified period:

- (a) interest payable on all Outstanding Bonds of such Series during such period, subject to reduction for amounts held as Capitalized Interest for such Series of Bonds in the Funds and Accounts established under this Master Indenture; and

- (b) Amortization Installments required to be paid into any mandatory sinking fund account with respect to all Term Bonds during such period; and

- (c) amounts required to pay the principal or Maturity Amount of all Outstanding Series of Serial Bonds maturing during such period and not to be redeemed prior to or at maturity through any sinking fund account.

"Debt Service Reserve Fund" shall mean the Fund so designated which is established pursuant to Section 5.02 hereof.

"Debt Service Reserve Insurance Policy" shall mean the insurance policy, surety bond or other evidence of insurance, if any, deposited to the credit of a Series Reserve Account in lieu of or in partial substitution for cash or securities on deposit therein, which policy, bond or the evidence of insurance constitutes an unconditional senior obligation of the issuer thereof. The issuer thereof shall be a municipal bond insurer whose obligations ranking *pari passu* with its obligations under such policy, bond or other evidence of insurance are rated at the time of deposit of such policy, bond or other evidence of insurance to the credit of a Series Reserve Account in at least one of the two highest rating categories of both Moody's and S&P, unless otherwise approved by the Credit Facility Issuer who has issued a municipal bond insurance policy with respect to the Series of Bonds secured by the Series Reserve Account.

"Debt Service Reserve Letter of Credit" shall mean the irrevocable, transferable letter or line of credit, if any, deposited for the credit of a Series Reserve Account in lieu of or in partial substitution for cash or securities on deposit therein, which letter or line of credit constitutes an unconditional senior obligation of the issuer thereof. The issuer of such letter or line of credit shall be a banking association, bank or trust company or branch thereof whose senior debt obligations ranking *pari passu* with its obligations under such letter or line of credit are rated at the time of deposit of the letter or line of credit to the credit of a Series Reserve Account in at least one of the two highest rating categories of both Moody's and S&P, unless otherwise approved by the Credit Facility Issuer who has issued a municipal bond insurance policy with respect to the Series of Bonds secured by the Series Reserve Account.

"Defeasance Securities" shall mean, to the extent permitted by law, (a) cash or (b) non-callable Government Obligations.

"Delinquent Assessments" shall mean, collectively, with respect to Assessments that are billed directly any and all installments of any Assessments which are not paid within thirty (30) days of the date on which such installments are due and payable, and with respect to Assessments that are billed by the uniform method of levy and collection, Assessments that are not paid and have become delinquent under applicable State law, subject to the provisions of a Supplemental Indenture relating to a Series of Bonds further modifying the definition of "Delinquent Assessments" with respect to the Assessments securing such Series of Bonds.

"District Manager" shall mean the then District Manager or acting District Manager of the Issuer.

"Event of Default" shall mean, with respect to a Series of Bonds, any of the events described in, or contemplated by, Section 9.01 hereof.

"Fiscal Year" shall mean the period of twelve (12) months beginning October 1 of each calendar year and ending on September 30 of the following calendar year, and also shall mean the period from actual execution hereof to and including the next succeeding September 30; or such other consecutive twelve-month period as may hereafter be established pursuant to a Certified Resolution as the fiscal year of the Issuer for budgeting and accounting purposes as authorized by law.

"Fund" shall mean any fund established pursuant to this Master Indenture.

"Generally Accepted Accounting Principles" shall mean those accounting principles applicable in the preparation of financial statements of governmental entities.

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

"Indenture" shall mean this Master Indenture, as amended and supplemented from time to time by a Supplemental Indenture or indentures, and, shall mean when used with respect to a Series of Bonds issued hereunder, this Master Indenture, as amended and supplemented by the Supplemental Indenture relating to such Series of Bonds.

"Independent" shall mean a Person who is not a member of the Issuer's Board, an officer or employee of the Issuer or the majority landowner(s) within the jurisdictional boundaries of the Issuer, or which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is a member of the Issuer's Board, or an officer or employee of the Issuer; provided, however, that the fact that such Person is retained regularly by or regularly transacts business with the Issuer or any of the landowner(s) within the jurisdictional boundaries of the Issuer shall not make such Person an employee within the meaning of this definition.

"Interest Payment Date" shall mean, with respect to a Series of Bonds, the dates specified in a Supplemental Indenture with respect to a Series of Bonds upon which the principal of and/or interest on Bonds of such Series shall be due and payable in each Bond Year.

"Investment Securities" shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the Issuer:

- (i) Government Obligations;
- (ii) obligations of the Government National Mortgage Association (including participation certificates issued by such Association);
- (iii) obligations of the Federal National Mortgage Association (including participation certificates issued by such Association);
- (iv) obligations of Federal Home Loan Banks;
- (v) deposits, Federal funds or bankers' acceptances (with term to maturity of 270 days or less) of any bank which has an unsecured, uninsured and unguaranteed obligation rated in one of the top two rating categories by both Moody's and S&P;
- (vi) commercial paper rated in the top two rating categories by both Moody's and S&P;
- (vii) obligations of any state of the United States or political subdivision thereof or constituted authority thereof the interest on which is exempt from federal income taxation under Section 103 of the Code and rated in one of the top two rating categories by both Moody's and S&P;

(viii) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by both Moody's and S&P, and (B) shares of money market mutual funds that invest only in Government Obligations and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P;

(ix) repurchase agreements, which will be collateralized at the onset of the repurchase agreement of at least 103% marked to market weekly by the Holder of the Collateral (hereinafter defined) with Collateral with a domestic or foreign bank or corporation (other than life or property casualty insurance company) the long-term debt of which, or, in the case of a financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's provided that the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3," respectively, the provider shall immediately notify the Issuer and the Trustee and the provider shall at its option, within ten days of receipt of publication of such downgrade, either (A) maintain Collateral at levels, sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (B) repurchase all Collateral and terminate the repurchase agreement. Further, if the provider's rating by either S&P or Moody's falls below "A-" or "A3," respectively, the provider must at the direction of the Issuer to the Trustee, within ten (10) Business Days, either (1) maintain Collateral at levels sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (2) repurchase all Collateral and terminate the repurchase agreement without penalty. In the event the repurchase agreement provider has not satisfied the above conditions within ten (10) Business Days of the date such conditions apply, then the repurchase agreement shall provide that the Trustee shall be entitled to, and in such event, the Trustee shall withdraw the entire amount invested plus accrued interest within ten (10) Business Days after the Trustee has knowledge that such conditions have not been met. Any repurchase agreement entered into pursuant to this Indenture shall contain the following additional provisions:

(1) Failure to maintain the requisite Collateral percentage will require the Issuer or the Trustee to liquidate the Collateral as provided above;

(2) The Holder of the Collateral shall have possession of the Collateral or the Collateral shall have been transferred to the Holder of the Collateral, in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(3) The repurchase agreement shall state and an opinion of Counsel in form and in substance satisfactory to the Issuer shall be rendered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted Collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(4) The repurchase agreement shall be a "repurchase agreement" as defined in the United States Bankruptcy Code and, if the provider is a domestic bank,

a "qualified financial contract" as defined in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") and such bank is subject to FIRREA;

(5) The repurchase transaction shall be in the form of a written agreement, and such agreement shall require the provider to give written notice to the Issuer and the Trustee of any change in its long-term debt rating;

(6) The Issuer or its designee shall represent that it has no knowledge of any fraud involved in the repurchase transaction;

(7) The Issuer and the Trustee shall receive the opinion of Counsel (which opinion shall be addressed to the Issuer and the Trustee and shall be in form and substance satisfactory to the Issuer) that such repurchase agreement complies with the terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

(8) The term of the repurchase agreement shall be no longer than ten years;

(9) The interest with respect to the repurchase transaction shall be payable no less frequently than quarterly;

(10) The repurchase agreement shall provide that the Trustee may withdraw funds without penalty at any time, or from time to time, for any purpose permitted or required under this Indenture;

(11) Any repurchase agreement shall provide that a perfected security interest in such investments is created for the benefit of the Beneficial Owners under the Uniform Commercial Code of Florida, or book-entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. are created for the benefit of the Beneficial Owners; and

(12) The Collateral delivered or transferred to the Issuer, the Trustee, or a third-party acceptable to, and acting solely as agent for, the Trustee (the "Holder of the Collateral") shall be delivered and transferred in compliance with applicable state and federal laws (other than by means of entries on provider's books) free and clear of any third-party liens or claims pursuant to a custodial agreement subject to the prior written approval of the majority of the Holders and the Trustee. The custodial agreement shall provide that the Trustee must have disposition or control over the Collateral of the repurchase agreement, irrespective of an event of default by the provider of such repurchase agreement.

If such investments are held by a third-party, they shall be held as agent for the benefit of the Trustee as fiduciary for the Beneficial Owners and not as agent for the bank serving as Trustee in its commercial capacity or any other party and shall be segregated from securities owned generally by such third party or bank;

(x) any other investment approved in writing by the Majority Owners of the Bonds of a Series secured thereby;

(xi) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are rated in one of the three highest ratings by both Moody's and S&P or in one of the two highest categories by either S&P or Moody's; and

(xii) investment agreements with a bank, insurance company or other financial institution, or the subsidiary of a bank, insurance company or other financial institution if the parent guarantees the investment agreement, which bank, insurance company, financial institution or parent has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in the highest short-term rating category by Moody's or S&P (if the term of such agreement does not exceed 365 days), or has an unsecured, uninsured and unguaranteed obligation (or claims paying ability) rated by at least 2 national rating agencies with a minimum rating of Aa2, AA or AA by Moody's, S&P or Fitch, respectively (if the term of such agreement is more than 365 days) or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation of the aforesaid ratings, provided:

(A) interest is paid at least quarterly at a fixed rate (subject to adjustments for yield restrictions required by the Code) during the entire term of the agreement;

(B) moneys invested thereunder may be withdrawn without penalty, premium, or charge upon not more than two days' notice unless otherwise specified in a Supplemental Indenture;

(C) the same guaranteed interest rate will be paid on any future deposits made to restore the account to its required amount; and

(D) the Issuer and the Trustee receive an opinion of counsel that such agreement is an enforceable obligation of such insurance company, bank, financial institution or parent;

(E) in the event of a suspension, withdrawal, or downgrade below Aa3, AA- or AA- by Moody's, S&P or Fitch, respectively, the provider shall immediately notify the Issuer and the Trustee and the provider shall at its option, within five (5) Business Days of receipt of publication of such downgrade, either, at the choice of the Provider:

(1) collateralize the agreement at levels, sufficient to maintain an "AA" rated investment from S&P and an "Aa2" from Moody's with a market to market approach, or

(2) assign the agreement to another provider, as long as the minimum rating criteria of "AA" rated investment from S&P and an "Aa2" from Moody's with a market to market approach or

(3) have the agreement guaranteed by a Provider acceptable to the Issuer.

(F) in the event of a suspension, withdrawal, or downgrade below A3, A- or A- by Moody's, S&P or Fitch, respectively, the provider must, at the direction of the Issuer or the Trustee, within five (5) Business Days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment in either case with no penalty or premium to the Issuer or Trustee. In the event the Provider has not satisfied the above condition with five (5) Business Days of the date such conditions apply, then the agreement shall provide that the Trustee shall be entitled to, and in such event, the Trustee shall withdraw the entire amount invested plus accrued interest within ten (10) Business Days after the Trustee has knowledge that such condition has not been met.

(xiii) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are rated in one of the three highest ratings by both Moody's and S&P or in one of the two highest categories by either S&P or Moody's;

(xiv) the Local Government Surplus Funds Trust Fund as described in Florida Statutes, Section 218.405 or the corresponding provisions of subsequent laws provided that such fund is rated at least "AA" by S&P (without regard to gradation) or at least "Aa" by Moody's (without regard to gradation); and

(xv) other investments permitted by Florida law.

Under all circumstances, the Trustee shall be entitled to rely that any investment directed by a Responsible Officer of the Issuer is permitted under the Indenture.

"Issuer" shall mean the North Springs Improvement District.

"Majority Owners" shall mean the Beneficial Owners of more than fifty percent (50%) of the aggregate principal amount of the Series of Bonds then Outstanding to which such reference is made.

"Master Special Assessment Methodology" shall mean the assessment methodology set forth in the Master Engineer's Report, as same may be amended or supplemented in connection with a Series of Bonds.

"Master Engineer's Report" shall mean the Master Engineer's Report for Assessable Improvements in Parkland Royale II Assessment Area dated November [ ], 2025, as supplemented by a report dated [ ], 2026 prepared by the Consulting Engineer, as same may be amended or supplemented from time to time.

"Master Indenture" shall mean this Master Trust Indenture, as amended and supplemented from time to time in accordance with the provisions hereof.

"Maturity Amount" shall mean the amount due at maturity with respect to a Capital Appreciation Bond.

"Maximum Annual Debt Service Requirement" shall mean, at any given time of determination, the greatest amount of principal, interest and Amortization Installments coming due in any current or future Bond Year with regard to the Series of Bonds for which such calculation is made; provided (i) the amount of interest coming due in any Bond Year shall be reduced to the extent moneys derived from the proceeds of Bonds of such Series are on deposit in a related Series Capitalized Interest Account and are available to be used to pay interest on such Series of Bonds in such Bond Year in accordance with the terms of the applicable Supplemental Indenture; and (ii) the amount of principal and Amortization Installments coming due any Bond Year as a result of the final maturity or earlier extraordinary mandatory redemption of such Series of Bonds shall be reduced, to the extent of amounts available in the related Series Reserve Account for that purpose, in the event the applicable Supplemental Indenture directs moneys on deposit in the related Series Reserve Account to be used to make such payments as a result of the final maturity or earlier extraordinary mandatory redemption of such Series of Bonds.

"Moody's" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Officers' Certificate" or "Officer's Certificate" shall mean a certificate, duly executed by a Responsible Officer and delivered to the Trustee.

"Option Bonds" shall mean Current Interest Bonds, which may be either Serial or Term Bonds, which by their terms may be tendered by and at the option of the Owner for purchase prior to the stated maturity thereof.

"Outstanding" shall mean, as of the time in question, all Bonds authenticated and delivered under this Master Indenture, except:

- (a) Bonds theretofore canceled or required to be canceled under Section 2.08 hereof;

- (b) Bonds for the payment, redemption or purchase of which moneys and/or Defeasance Securities, the principal of and interest on which, when due, will provide sufficient moneys to fully pay such Bonds in accordance with Article XIII hereof, shall have been or shall concurrently be deposited with the Trustee; provided that, if such Bonds are being redeemed, the required notice of redemption shall have been given or provision shall have been made therefore, and that if such Bonds are being purchased, there shall be a firm commitment for the purchase and sale thereof; and

- (c) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II hereof.

In determining whether the Holders of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of this Master Indenture, Bonds which are known by the Trustee to be



held on behalf of the Issuer shall be disregarded for the purpose of any such determination; provided, however, this provision does not affect the right of the Trustee to deal in Bonds as set forth in Section 10.09 hereof.

"Participating Underwriter" shall mean any of the original underwriters of a Series of Bonds required to comply with the Rule in connection with the offering of the Bonds of such Series.

"Paying Agent" shall mean the bank or trust company designated by Supplemental Indenture with respect to a Series of Bonds as the place where Debt Service Requirements shall be payable with respect to such Series of Bonds and which accepts the duties of Paying Agent under this Master Indenture and under such Supplemental Indenture.

"Person" shall mean any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, governmental body, political subdivision, municipality, municipal authority or any other group or organization of individuals.

"Pledged Funds" shall mean all of the Series Pledged Funds.

"Pledged Revenues" shall mean all of the Series Pledged Revenues.

"Prepayments" shall mean any Special Assessments, or portions thereof, which shall be paid to the Issuer prior to the time such amounts become due with respect to the Series of Bonds for which said Special Assessments are levied, and which are in excess of the Debt Service Requirements on such Series of Bonds coming due prior to the date on which such Series of Bonds may next be redeemed as a result of such prepayment of Special Assessments.

"Project Fund" shall mean the Fund of that name created and designated by Section 4.01 of this Master Indenture.

"Property Appraiser" shall mean the property appraiser of the County.

"Property Appraiser and Tax Collector Agreements" shall mean, collectively, the Property Appraiser Agreement and the Tax Collector Agreement described in Section 8.04 hereof.

"Rebate Fund" shall mean the Fund of that name created and designated by Section 5.02 of this Master Indenture.

"Record Date" shall mean, as the case may be, the applicable Regular or Special Record Date.

"Redemption Price" shall mean the principal amount of any Bond plus the applicable premium, if any, payable upon redemption thereof pursuant to this Master Indenture and the related Supplemental Indenture.

"Refunding Bonds" shall mean Bonds issued pursuant to this Master Indenture and as more specifically described in a Supplemental Indenture authorizing the refunding or advance refunding of all or any portion of one or more Series (or any portion thereof) of Bonds Outstanding.

"Registrar" shall mean the bank or trust company designated as such by Supplemental Indenture with respect to a Series of Bonds for the purpose of maintaining the registry of the Issuer reflecting the names, addresses, and other identifying information of Owners of Bonds of such Series and which accepts the duties of Registrar under this Master Indenture and under such Supplemental Indenture.

"Regular Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date applicable to a Series of Bonds.

"Regulatory Body" or "Regulatory Bodies" shall mean and include (a) the United States of America and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America, (b) the State, any political subdivision thereof and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the State, (c) the County, or any municipality in whose jurisdiction the Issuer is located, and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the County or such municipality, and (d) any other public body, whether federal, state or local or otherwise having regulatory jurisdiction and authority over the Issuer.

"Responsible Officer" shall mean any member of the Board or any other officer of the Issuer or other person designated by Certified Resolution of the Issuer, a copy of which shall be on file with the Trustee, to act for any of the foregoing, either generally or with respect to the execution of any particular document or other specific matter.

"Revenue Fund" shall mean the Fund of that name created and designated by Section 5.02 hereof.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"S&P" shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Serial Bonds" shall mean Bonds (other than Term Bonds) that mature in annual or semi-annual installments.

"Series" shall mean all of the Bonds authenticated and delivered on original issuance of a stipulated aggregate principal amount in a simultaneous transaction under and pursuant to the same Supplemental Indenture and any Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to this Master Indenture and such Supplemental Indenture regardless of variations in maturity, interest rate or other provisions; provided, however, two or more Series of Bonds may be issued simultaneously under the same Supplemental Indenture if designated as separate Series of Bonds by the Issuer upon original issuance. Two or more Series of Bonds may be issued simultaneously under separate Supplemental Indentures, but under this Master Indenture.

"Series Accounts" shall mean, with respect to a Series of Bonds, the Accounts established in this Master Indenture and any Supplemental Indenture authorizing such Series of Bonds which are pledged thereto by this Master Indenture and such Supplemental Indenture.

"Series Capitalized Interest Account" shall mean any Series Capitalized Interest Account to be established within a Series Debt Service Fund by Supplemental Indenture with respect to any Series of Bonds issued under this Master Indenture, as authorized pursuant to this Master Indenture.

"Series Cost of Issuance Account" shall mean the Account with respect to a Series of Bonds established in the Cost of Issuance Fund so designated in, and created pursuant to, Section 4.03 hereof.

"Series Interest Account" shall mean the Account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 5.02 hereof.

"Series Pledged Funds" shall mean all amounts on deposit from time to time in the Funds and Accounts and designated in the Supplemental Indenture relating to such Series of Bonds as pledged to the payment of such Series of Bonds; provided, however, such term shall not include any amounts on deposit in a Series Rebate Account in the Rebate Fund.

"Series Pledged Revenues" shall mean the revenues designated as such by Supplemental Indenture and which shall constitute the security for and source of payment of a Series of Bonds and may consist of Assessments or other user fees or other revenues or combinations thereof derived or to be derived by the Issuer in accordance with the Act.

"Series Principal Account" shall mean the Account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 5.02 hereof.

"Series Project" shall mean the financing, refinancing, acquisition, construction, equipping and/or improvement of the Assessable Improvements or any portion thereof to be located within or without the Assessment Area and to be financed and/or refinanced with all or a part of the proceeds of a Series of Bonds as shall be described in the Supplemental Indenture authorizing such Series of Bonds. The term "Series Project" shall not include any project financed by the Issuer under the provisions of any financing documents or instruments other than this Master Indenture.

"Series Project Account" shall mean the Account within the Project Fund with respect to each Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture relating to such Series of Bonds.

"Series Rebate Account" shall mean the Account in the Rebate Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture relating to such Series of Bonds.

"Series Redemption Account" shall mean the Account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 5.02 hereof.

"Series Reserve Account" shall mean the Account within the Debt Service Reserve Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture relating to such Series of Bonds and funded in an amount equal to the Series Reserve Account Requirement for such Series of Bonds.

"Series Reserve Account Requirement" shall mean the amount of money or other security which may be in the form of a Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit or other security as may be required by the terms of a Supplemental Indenture to be deposited in or credited to a Series Reserve Account for each Series of Bonds; provided, however, that unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, as of any date of calculation for a particular Series Reserve Account, the "Series Reserve Account Requirement" shall be an amount equal to the least of: (A) Maximum Annual Debt Service Requirement for all Outstanding Bonds of such Series, (B) 125% of the average annual debt service for all Outstanding Bonds of such Series, or (C) the aggregate of 10% of the issue price of the Bonds of such Series calculated as of the date of original issuance thereof (calculated as of the date of issue for purposes of clauses (B) and (C)); and provided, further, that the Series Reserve Account Requirement in respect of any Series of Bonds may be \$0.00. In computing the Series Reserve Account Requirement in respect of any Series of Bonds that constitute Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be the greater of: (1) 110% of the daily average interest rate on such Variable Rate Bonds during the 12 months ending with the month preceding the date of calculation, or such shorter period of time that such Series of Bonds shall have been Outstanding, or (2) the actual rate of interest borne by the such Variable Rate Bonds on such date of calculation; provided, in no event shall the Series Reserve Account Requirement as adjusted on such date of calculation exceed the least of the amounts specified in the immediately preceding sentence determined by assuming that the interest rate is equal to the interest rate that the Bonds of such Series would bear if the Bonds of such Series bore interest at a fixed rate to maturity. In computing the Series Reserve Account Requirement in accordance with clause (C) of this definition in respect of any Capital Appreciation Bonds, the principal amount of such Bonds shall be the original principal amount thereof, not the Accreted Value.

"Series Revenue Account" shall mean the Revenue Account for a Series of Bonds established in the Revenue Fund by Supplemental Indenture for such Series of Bonds.

"Special Act" shall mean Chapter 2005-341, Laws of Florida, as amended and supplemented.

"Special Assessments" shall mean the non-ad valorem assessments levied by or on behalf of the Issuer and collected or caused to be collected by the Issuer against the lands in the Assessment Area that are subject to assessment as a result of a Series Project or Additional Series Project or any part thereof comprising Assessable Improvements, as provided for under the Act and other applicable law, to the extent levied and collected to enable the Issuer to pay the Debt Service Requirements on a Series of Bonds and which are referred to as such and pledged to a Series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such Series of Bonds. Special Assessments shall be deemed to include the interest and penalties on such Special Assessments, pursuant to all applicable provisions of the Special Act and Chapter 197, Florida

Statutes (and any successor statutes thereto), including, without limitation, any amount received from any foreclosure proceeding for the enforcement of collection of such assessments or from the issuance and sale of tax certificates with respect to such assessments, less (to the extent applicable) the fees and costs of collection thereof payable to the Tax Collector and less certain administrative costs payable to the Property Appraiser, as applicable, pursuant to the Property Appraiser and Tax Collector Agreements. Special Assessments shall not include any non-ad valorem assessments levied and collected by the Issuer under the Act for maintenance purposes and shall also not include any non-ad valorem special assessments or benefit assessments levied and collected by or on behalf of the Issuer against the lands in the Issuer, including in the Assessment Area in respect of a project other than a Series Project or Additional Series Project or bonds other than the Bonds.

"Special Record Date" shall mean such date as shall be fixed for the payment of defaulted interest on any Series of Bonds in accordance with Section 2.02 hereof.

"State" shall mean the State of Florida.

"Subordinated Debt" shall mean indebtedness secured hereby or by any Supplemental Indenture which is by its terms expressly subordinate and inferior hereto both in lien and right of payment.

"Supplemental Indenture" shall mean an indenture supplemental hereto authorizing the issuance of a Series of Bonds hereunder and establishing the terms thereof and the security therefor and shall also mean any indenture supplemental hereto entered into for the purpose of amending the terms and provisions hereof with respect to all Bonds in accordance with Article XII hereof.

"Taxable Bonds" shall mean Bonds of a Series which are not Tax Exempt Bonds.

"Tax Collector" shall mean the tax collector of the County.

"Tax Exempt Bonds" shall mean Bonds of a Series the interest on which, in the opinion of Bond Counsel on the date of original issuance thereof, is excludable from gross income for federal income tax purposes.

"Term Bonds" shall mean Bonds that mature on one date and that are subject to mandatory redemption from Amortization Installments or Bonds designated by the Issuer as Term Bonds upon original issuance thereof.

"Trust Estate" shall have the meaning ascribed to such term in the granting clauses hereof, including, but not limited to, the Pledged Revenues and Pledged Funds.

"Trustee" shall mean U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America and duly authorized to exercise corporate trust powers in the State, having its designated corporate trust office in Fort Lauderdale, Florida, together with its successor or successors as Trustee under this Master Indenture.

"Variable Rate Bonds" shall mean Current Interest Bonds, which may be either Serial Bonds or Term Bonds, issued with a variable, adjustable, convertible or other similar interest rate which is

not fixed in percentage for the entire term thereof at the date of issue, which Bonds may also be Option Bonds.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the form of Bond), refer to the entire Indenture.

Every "request," "requisition," "order," "demand," "application," "notice," "statement," "certificate," "consent," or similar action hereunder by the Issuer shall, unless the form or execution thereof is otherwise specifically provided, be in writing signed by a Responsible Officer of the Issuer.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.

## **ARTICLE II THE BONDS**

SECTION 2.01. Issue of Bonds. For the purpose of refunding Bonds of a Series or providing funds for paying all or part of the Cost of a Series Project or Additional Series Project, Bonds of a Series, without limitation as to aggregate principal amount, may be issued under this Master Indenture, subject to the conditions hereinafter provided in Article III of this Master Indenture. The Debt Service Requirements on each Series of Bonds shall be payable solely from the Series Pledged Revenues and Series Pledged Funds pledged to such Series of Bonds in the Supplemental Indenture authorizing the issuance of such Series of Bonds and, except as may otherwise be provided in such Supplemental Indenture, all of the provisions of this Master Indenture shall be for the benefit and security of the present and future Owners of such Series of Bonds so issued, without preference, priority or distinction, as to lien or otherwise, of any one Bond of such Series over any other Bond of such Series.

SECTION 2.02. Details of Bonds. Bonds of a Series shall be in such Authorized Denominations, shall be numbered consecutively, shall bear interest from their date until their payment at rates not exceeding the maximum rate permitted by law, shall be dated, shall be stated to mature in such year or years in accordance with the Act, and shall be subject to redemption prior to their respective maturities, subject to the limitations hereinafter provided, as provided for in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series may be issued as Current Interest Bonds, Variable Rate Bonds, Capital Appreciation Bonds, Option Bonds or any combination thereof and may be secured by a Credit Facility, all as shall be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Bonds of a Series shall bear interest from the applicable Interest Payment Date next preceding the date on which they are authenticated unless authenticated on an applicable Interest Payment Date in which event they shall bear interest from such Interest Payment Date, or unless authenticated before the first Interest Payment Date in which event they shall bear interest from their date; provided, however, that if a Bond of such Series is authenticated between a Record Date and the next succeeding applicable Interest Payment Date, such Bond shall bear interest from such succeeding Interest Payment Date; provided further, however, that if at the time of authentication of any Bond of a Series interest thereon is in default, such Bond shall bear interest from the date to which interest has been paid. Any interest on any Bond of a Series which is payable, but is not

punctually paid or provided for on any applicable Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of the Bonds of such Series of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Bonds of a Series in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Trustee and the applicable Paying Agent, upon requesting the same in a writing received by the Trustee and such Paying Agent at least fifteen (15) days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Trustee and applicable Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Trustee and such Paying Agent at least fifteen (15) days prior to the relevant Record Date. Unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, interest on the Bonds will be computed on the basis of a 360-day year of twelve (12) 30-day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by such Bonds on the day before the default occurred.

SECTION 2.03. Execution and Form of Bonds. Bonds shall be executed by the manual or facsimile signature of the President of the Board of the Issuer, or in his absence, any member of the Board of the Issuer, and the corporate seal of the Issuer shall appear thereon (which may be in facsimile) and shall be attested by the manual or facsimile signature of its Secretary or Assistant Secretary of the Board of the Issuer. Bonds executed as above provided may be issued and shall, upon request of the Issuer, be authenticated by the Trustee, notwithstanding that one or both of the officers of the Issuer whose signatures appear on such Bonds shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds. Unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, the Bonds of each Series, and the provisions for registration and reconversion to be endorsed on such Bonds, shall be substantially in the form set forth as Exhibit A hereto.

SECTION 2.04. Authentication. No Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, and such authentication shall be proof that the Bondholder is entitled to the benefit of the trust hereby created. The Trustee may appoint one or more Authenticating Agents. The Trustee shall be entitled to be reimbursed for payments made to any Authenticating Agent as reasonable compensation for its services from legally available funds of the Issuer.

Any corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be party, or any corporation succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of the Authenticating Agent hereunder, if such successor corporation is otherwise eligible under this Section, without the execution or filing of any further act on the part of the parties hereto or the Authenticating Agent or such successor corporation.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee, the Issuer and any related Paying Agent. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent, the Issuer and any related Paying Agent. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible under this Section, the Trustee shall promptly appoint a successor Authenticating Agent, shall give written notice of such appointment to the Issuer and the Paying Agent, shall mail a notice of such appointment to all Holders of Bonds of a Series affected thereby as the names and addresses of such Holders appear on the Bond Register.

SECTION 2.05. Registration and Registrar. The Registrar for each Series of Bonds shall act as registrar and transfer agent for the Bonds of such Series. The Issuer shall cause to be kept at an office of each Registrar for a Series of Bonds a register (herein sometimes referred to as the "Bond Register" or "Register") in which, subject to the provisions set forth in Section 2.09 below and such other regulations as the Issuer and such Registrar may prescribe, the Issuer shall provide for the registration of the Bonds of such Series and for the registration of transfers and exchanges of such Bonds. The Issuer shall cause each Registrar to designate, by a written notification to the Trustee, a specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register for the related Series of Bonds is kept.

Each Registrar (when it is not also the Trustee), forthwith following each Record Date for a Series of Bonds and at any other time as reasonably requested by the Trustee, shall certify and furnish in writing to the Trustee, and to any Paying Agent as such Trustee shall specify, the names, addresses, and holdings of Bondholders of such Series and any other relevant information reflected in the applicable Bond Register, and the Trustee and any such Paying Agent shall for all purposes be entitled to rely upon the information so furnished to it and shall have no liability or responsibility in connection with the preparation thereof.

SECTION 2.06. Mutilated, Destroyed, Lost or Stolen Bonds. If any Bond of a Series shall become mutilated, the Issuer shall execute and the Trustee or Authenticating Agent, as the case may be, shall thereupon authenticate and deliver a new Bond of such Series of like tenor and denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee or Authenticating Agent, as the case may be, of such mutilated Bond for cancellation, and the Issuer and the Trustee or Authenticating Agent, as the case may be, may require reasonable indemnity therefor. If any Bond of a Series shall be reported lost, stolen or destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the Issuer and the Trustee or Authenticating Agent, as the case may be; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the Issuer shall execute, and thereupon the Trustee or Authenticating Agent, as the case may be, shall authenticate and deliver a new Bond of such Series of like tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Bondholder for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the Issuer may, with the consent of the Trustee or Authenticating Agent, as the case may be, pay to the Owner the principal amount of and accrued interest on such Bond upon the maturity thereof and compliance with the aforesaid conditions by such Owner, without the issuance of a substitute Bond therefor.



Every substituted Bond issued pursuant to this Section 2.06 shall constitute an additional contractual obligation of the Issuer, whether or not the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Master Indenture and related Supplemental Indenture equally and proportionately with any and all other Bonds duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

SECTION 2.07. Temporary Bonds. Unless the Bonds of a Series are registered pursuant to Section 2.12 hereof, pending preparation of definitive Bonds of a Series, or by agreement with the original purchasers of all Bonds of such Series, the Issuer may issue and, upon its written request, the Trustee shall authenticate in lieu of definitive Bonds of a Series one or more temporary printed or typewritten Bonds of such Series of substantially the tenor recited above. Upon written request of the Issuer, the Trustee shall authenticate definitive Bonds of such Series in exchange for and upon surrender of an equal principal amount of temporary Bonds of such Series. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds. So long as Cede & Co., or any other nominee of The Depository Trust Company, New York, New York ("DTC") is the registered Owner of the Bonds of a Series, the definitive Bonds of such Series shall be in typewritten form.

SECTION 2.08. Cancellation and Disposition of Surrendered Bonds. All Bonds surrendered for payment or redemption and all Bonds surrendered for exchange shall, at the time of such payment, redemption or exchange, be promptly transferred by the applicable Registrar, Paying Agent or Authenticating Agent to, and cancelled and disposed of by the Trustee in accordance with its then current procedures. The Trustee shall, upon written request of the Issuer, deliver to the Issuer a certificate of destruction in respect of all Bonds destroyed in accordance with this Section.

SECTION 2.09. Registration, Transfer and Exchange. As provided in Section 2.05 hereof, the Issuer shall cause a Bond Register in respect of the Bonds of each Series to be kept at the designated office of the Registrar for such Series.

Upon surrender for registration or transfer of any Bond of a Series at the designated office of the applicable Registrar, and upon compliance with the conditions for the transfer of Bonds set forth in this Section 2.09, the Issuer shall execute and the Trustee (or applicable Registrar or Authenticating Agent as described in Section 2.04 and Section 2.05 hereof) shall authenticate and deliver, in the name of the designated transferees, one or more new Bonds of such Series of a like aggregate principal amount and of the same maturity.

At the option of the Bondholder, Bonds may be exchanged for other Bonds of a like aggregate principal amount and of the same maturity, upon surrender of the Bonds to be exchanged at any such office or agency. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute and the Trustee (or applicable Registrar or Authenticating Agent as described in Section 2.04 and Section 2.05 hereof) shall authenticate and deliver the Bonds of such Series which the Bondholder making the exchange is entitled to receive.

All Bonds issued upon any transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Master Indenture and related Supplemental Indenture as the Bonds surrendered upon such transfer or exchange.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, applicable Paying Agent or Registrar, duly executed by the Bondholder or his attorney duly authorized in writing.

Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Neither the Issuer nor the applicable Registrar on behalf of the Issuer shall be required (i) to issue, transfer or exchange any Bond of a Series during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Bonds of such Series selected for redemption and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Bond of a Series so selected for redemption in whole or in part.

SECTION 2.10. Persons Deemed Owners. The Issuer, the Trustee, any Paying Agent, any Registrar, or any Authenticating Agent shall deem and treat the person in whose name any Bond is registered as the absolute Owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuer, the Trustee, any Paying Agent, the Registrar or the Authenticating Agent) for the purpose of receiving payment of or on account of the principal or Redemption Price, if any, of and interest on such Bond, and for all other purposes, and the Issuer, the Trustee, any Paying Agent, Registrar and Authenticating Agent shall not be affected by any notice to the contrary. All such payments so made to any such Owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bond.

SECTION 2.11. Pari Passu Obligations Under Credit Agreements. As may be provided for or required in any Supplemental Indenture, the Issuer may incur financial obligations under a Credit Facility Agreement payable *pari passu* with respect to the lien on the Trust Estate pledged to a Series of Bonds issued under this Master Indenture and a Supplemental Indenture, without meeting any financial test or requirement set forth in this Master Indenture or the corresponding Supplemental Indenture, but only if the Credit Facility supports a related Series of Bonds then being issued which does meet such tests or requirements.

SECTION 2.12. Qualification for The Depository Trust Company. To the extent authorized and directed by a Certified Resolution of the Issuer, the Trustee shall be authorized to enter into agreements with DTC and other depository trust companies, including, but not limited to, agreements necessary for wire transfers of interest and principal payments with respect to any Series of Bonds, utilization of electronic book entry data received from DTC, and other depository trust companies in place of actual delivery of Bonds of a Series and provision of notices with respect to Bonds of a Series registered by DTC and other depository trust companies (or any of their designees identified to the Trustee) by overnight delivery, courier service, telegram, telecopy or other similar means of communication.

So long as there shall be maintained a book-entry-only system with respect to a Series of Bonds (or portion thereof), as shall be provided in the Supplemental Indenture authorizing the Series of Bonds, the following provisions shall apply with respect to the Bonds of such Series:

The Bonds shall initially be registered in the name of Cede & Co. as nominee for DTC, which will act initially as securities depository for the Bonds and so long as the Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered Owner for all purposes hereof. On original issue, the Bonds of each Series registered pursuant to this Section 2.12 shall be deposited with DTC, which shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Bonds of each Series registered pursuant to this Section 2.12 ("Beneficial Owners").

Principal and interest on the Bonds prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.

The Bonds of each Series registered pursuant to this Section 2.12 shall initially be issued in the form of one fully registered Bond for each maturity and shall be held in such form until maturity. Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Bonds, through DTC Participants and Indirect Participants.

DURING THE PERIOD FOR WHICH CEDE & CO. IS REGISTERED OWNER OF THE BONDS, ANY NOTICES TO BE PROVIDED TO ANY REGISTERED OWNER WILL BE PROVIDED TO CEDE & CO. DTC SHALL BE RESPONSIBLE FOR NOTICES TO DTC PARTICIPANTS AND DTC PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO INDIRECT PARTICIPANTS, AND DTC PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO BENEFICIAL OWNERS.

The Issuer has entered into a blanket letter of representations with DTC providing for such book-entry-only system. Such agreement may be terminated at any time by either DTC or the Issuer. In the event of such termination, the Issuer shall select another securities depository. If the Issuer does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Bonds in the form of fully registered Bonds in accordance with the written instructions from Cede & Co.

In the event DTC, any successor of DTC or the Issuer elects to discontinue the book-entry-only system, the Trustee shall deliver bond certificates in accordance with the written instructions from DTC or its successor and after such time Bonds may be exchanged for an equal aggregate principal amount of Bonds in other Authorized Denominations and of the same maturity upon surrender thereof at the designated corporate trust office of the Trustee.

None of the Issuer, the Trustee, the Paying Agent or the Registrar shall have any responsibility to any DTC Participant or Indirect Participant for any action specified in this Section 2.12 as the obligation of DTC.

SECTION 2.13. Credit Enhancement. By adoption of a Supplemental Indenture either prior to or subsequent to the issuance of a Series of Bonds, the Issuer may provide for a Credit Facility for such Series of Bonds and any requirements of the applicable Credit Facility Issuer.

SECTION 2.14. Special Obligations. Each Series of Bonds shall be a special and direct obligation of the Issuer. Neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the Issuer within the meaning of the Constitution and laws of Florida. The Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the Issuer or a lien upon any property of the Issuer other than as provided herein or in the Supplemental Indenture authorizing the issuance of such Series of Bonds. No Owner or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the Issuer or any other public authority or governmental body to pay Debt Service Requirements or to pay any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds. Rather, Debt Service Requirements and any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds, shall be payable solely from, and shall be secured solely by, the Series Pledged Revenues and the Series Pledged Funds pledged to such Series of Bonds, all as provided herein and in such Supplemental Indenture.

SECTION 2.15. Tax Status of Bonds. Any Series of Bonds issued under this Master Indenture either: (i) may be issued as Tax Exempt Bonds or (ii) may be issued as Taxable Bonds. The intended tax status of any Series of Bonds to be issued may be referenced in any Supplemental Indenture authorizing the issuance of such Series of Bonds.

SECTION 2.16. Bond Anticipation Notes. Whenever the Issuer shall authorize the issuance of a Series of Bonds, the Issuer may by resolution or Supplemental Indenture authorize the issuance of bond anticipation notes in anticipation of the sale of such authorized Series of Bonds in a principal amount not exceeding the principal amount of such Series. The aggregate principal amount of Bonds of such Series and all other Bonds previously authenticated and delivered to pay the Cost of the Series Project or Additional Series Project for which the proceeds of the bond anticipation notes will be applied shall not exceed such Cost. The interest on such bond anticipation notes may be payable out of the related Series Interest Account established for the bond anticipation notes to the extent provided in the resolution of the Issuer or Supplemental Indenture authorizing such bond anticipation notes. The principal of and interest on such bond anticipation notes and renewals thereof shall be payable from any moneys of the Issuer available therefor or from the proceeds of the sale of the Series of Bonds in anticipation of which such bond anticipation notes are issued. The proceeds of sale of bond anticipation notes shall be applied to the purposes for which the Bonds anticipated by such bond anticipation notes are authorized and shall be deposited in the appropriate Fund or Account established by the Supplemental Indenture or resolution for such purposes; provided, however, that the resolution or resolutions or Supplemental Indenture authorizing such bond anticipation notes may provide for the payment of interest on such bond anticipation notes from the proceeds of sale of such bond anticipation notes and for the deposit, in the related Series Interest Account. In the event that the Issuer adopts a resolution rather than a Supplemental Indenture to authorize the issuance of bond anticipation notes, the Issuer will promptly furnish to the

Trustee a copy of such resolution, certified by a Responsible Officer, together with such information with respect to such bond anticipation notes as the Trustee may reasonably request, including, without limitation, information as to the paying agent or agents for such bond anticipation notes. If authorized by resolution in lieu of supplemental indenture, the Trustee shall have no duties or obligations to the holders of such bond anticipation notes unless specifically so authorized by the resolution of the Issuer authorizing the issuance of such bond anticipation notes and accepted in writing by the Trustee. The provisions of this Master Indenture shall apply to bond anticipation notes issued pursuant hereto, except where the context clearly requires otherwise or as otherwise provided in a related Supplemental Indenture or resolution.

### **ARTICLE III ISSUE OF BONDS**

SECTION 3.01. Issue of Bonds. Subject to the provisions of Section 2.01 hereof, the Issuer may issue Bonds hereunder from time to time without limitation as to aggregate principal amount for the purposes of: (i) financing all or part of the Cost of one or more Series Project or Additional Series Project or refunding (including advance refunding) an Outstanding Series of Bonds or any portion thereof; (ii) paying Capitalized Interest on a Series of Bonds; (iii) depositing the Series Reserve Account Requirement to the Series Reserve Account for such Series of Bonds; and (iv) paying the costs and expenses of issuing such Series of Bonds. In any such event the Trustee shall, at the written request of the Issuer, authenticate the Bonds of each Series and deliver or cause them to be authenticated and delivered, as specified in the request, but only upon receipt of the following (except as otherwise provided in a Supplemental Indenture):

(1) a Certified Resolution of the Issuer (a) authorizing this Master Indenture and the Supplemental Indenture(s) relating to the Series of Bonds; and (b) authorizing the execution and delivery of the Series of Bonds to be issued;

(2) an executed and attested original or certified copy of this Master Indenture;

(3) an executed and attested original or certified copy of the Supplemental Indenture fixing the amount of and security for the Series of Bonds authorized to be issued thereby and establishing, among other things, the dates on, and the amounts in, which such Series of Bonds will mature (provided that the final maturity date of such Series of Bonds shall be not later than permitted by the Act with respect to such Series of Bonds), designating the Paying Agent and Bond Registrar, fixing the Amortization Installments, if any, for the Term Bonds of such Series, specifying the interest rates or the method for calculating such interest rates with respect to such Series of Bonds, specifying the redemption provisions and prices thereupon, establishing the provisions for Additional Bonds, if any, which may be issued on a *pari passu* basis with such Series of Bonds, specifying other details of such Series of Bonds, and directing the delivery of such Series of Bonds to or upon the order of the initial purchaser thereof upon payment of the purchase price therefor set forth in such Supplemental Indenture;

(4) a written opinion or opinions of Counsel to the Issuer, addressed to the Trustee that (a) all conditions prescribed herein as precedent to the issuance of the Series of Bonds to be issued have been fulfilled; (b) such Series of Bonds have been validly authorized and executed and when authenticated and delivered pursuant to the request of the

Issuer will be valid obligations of the Issuer entitled to the benefit of the trust created hereby; (c) any consents of any Regulatory Bodies required in connection with the issuance of the Series of Bonds or in connection with the acquisition of the improvements included in the Series Project or Additional Series Project being financed with the proceeds of such Series of Bonds have been obtained or can be reasonably expected to be obtained; (d) all proceedings undertaken by the Issuer with respect to the Special Assessments included in the Trust Estate pledged to the Series of Bonds have been in accordance with Florida law, (e) the Issuer has taken all action necessary to levy and impose the Special Assessments included in the Trust Estate pledged to the Series of Bonds, (f) the Special Assessments included in the Trust Estate pledged to the Series of Bonds are legal, valid and binding liens upon the property against which they are made, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid, (g) this Master Indenture and the Supplemental Indenture relating to such Series of Bonds have been duly and validly authorized in accordance with the terms hereof and of the Act, and have been duly approved and adopted; (h) this Master Indenture and the Supplemental Indenture constitute binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms except as enforcement thereof may be affected by bankruptcy and other similar laws relating to creditor's rights generally; and (i) if the acquisition of any real property or interest therein is included in the purpose of such issue, (i) the Issuer has or can acquire good and marketable title thereto free from all liens and encumbrances except such as will not materially interfere with the proposed use thereof or (ii) the Issuer has or can acquire a valid, subsisting and enforceable leasehold, easement, right-of-way or other interest in real property sufficient to effectuate the purpose of the issue (which opinion may be stated in reliance on the opinion of other Counsel satisfactory to the signer or on a title insurance policy issued by a reputable title company);

(5) a Consulting Engineer's Certificate stating, in the signer's opinion, that (a) the Series Project or Additional Series Project being financed by the Series of Bonds is reasonable and practicable; and (b)(i) the construction items and the Costs thereof as stated in the Master Engineer's Report are reasonable, (ii) the Series Project or Additional Series Project, as applicable, has been, or can be, acquired, constructed, reconstructed, equipped and installed in accordance with plans and specifications for the Series Project or Additional Series Project, as applicable approved by all Regulatory Bodies required to approve them or such approval can reasonably be expected to be obtained;

(6) one or more Certified Resolutions of the Issuer relating to the levy of Special Assessments in respect of the Series Project or Additional Series Project, and evidencing that the Issuer has undertaken and, to the extent then required under applicable law, completed all necessary proceedings, including, without limitation, the approval of assessment rolls, the holding of public hearings, the adoption of resolutions and the establishment of all necessary collection procedures, in order to levy and collect Special Assessments upon the lands in the Assessment Area, in an amount sufficient to pay the Debt Service Requirements on the Series of Bonds to be issued and payable from the Special Assessments relating thereto;

(7) an executed opinion of Bond Counsel stating that the signer is of the opinion that the Bonds of such Series are valid, binding and enforceable obligations of the Issuer and, if such Series of Bonds are not intended to be Taxable Bonds, that interest thereon is

excludable from gross income of the Owners under the income tax laws of the United States in effect on the date such Series of Bonds are delivered to their initial purchasers;

(8) a written direction of the Issuer to the Trustee to authenticate and deliver the Series of Bonds; and

(9) such other documents, certifications and opinions as shall be reasonably required by the Issuer or the Trustee upon advice of counsel.

The Trustee shall be provided with reliance letters with respect to the opinions required in paragraphs (4) and (7) above. The delivery to the Trustee by the Issuer of the Issuer's order to authenticate and deliver the Series of Bonds and the delivery to the Trustee by Bond Counsel of Bond Counsel's opinion shall be conclusive evidence upon which the Trustee may rely that the foregoing requirements have been fulfilled to the satisfaction of the Issuer, Bond Counsel and the purchaser of the Series of Bonds.

SECTION 3.02. Disposition of Proceeds and Other Funds. The proceeds (including accrued interest and any premium) of each Series of Bonds shall be applied as soon as practicable upon delivery thereof to the Trustee as set forth in the Supplemental Indenture relating to such Series of Bonds.

SECTION 3.03. Additional Requirements for Refunding Bonds. The Trustee shall, at the written request of the Issuer, authenticate Refunding Bonds and provide for delivery of such Refunding Bonds as specified in the request, but only upon receipt of the following, in addition to the items listed in Section 3.01 hereof:

(1) an Officer's Certificate of the Issuer stating (a) the intended use of the proceeds of the issue of Refunding Bonds; (b) any other amounts available for the purpose; (c) that the proceeds of the issue of the Refunding Bonds plus the other amounts, if any, stated to be available for the purpose will be sufficient to refund the Bonds to be refunded in accordance with the refunding plan and in compliance with Article XIII of this Master Indenture, including, without limitation, to pay the Costs of Issuance of such Refunding Bonds; and (d) that notice of redemption, if applicable, of the Bonds to be refunded has been duly given or that provision has been made therefor, as applicable;

(2) a written opinion of Bond Counsel to the effect that the issuance of such Refunding Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Tax Exempt Bonds issued pursuant to this Master Indenture; and

(3) to the extent that the proceeds of the Refunding Bonds are to be applied to defease all or a portion of a Series of Bonds Outstanding, a verification report of a firm of certified public accountants selected by the Issuer and having a favorable reputation in the preparation of such reports, to the effect that the moneys and/or Defeasance Securities deposited with the escrow agent to effect such defeasance are sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds, or portion thereof, to be defeased.

## **ARTICLE IV**

### **PROJECT FUND; COSTS OF ISSUANCE FUND**

SECTION 4.01. Project Fund. There is created and established a fund designated as the "Project Fund" which shall be held by the Trustee. Pursuant to a Supplemental Indenture authorizing a Series of Bonds (other than Refunding Bonds), the Issuer shall create a Series Project Account relating to that Series of Bonds. The Issuer shall pay to the Trustee, for deposit into the related Series Project Account of the Project Fund, as promptly as practicable, the following amounts received by it:

- (i) the amount set forth in the Supplemental Indenture relating to such Series of Bonds;
- (ii) pursuant to Section 8.19 hereof, payments made to the Issuer from the sale, lease or other disposition of the Series Project or Additional Series Project any portion thereof which are not part of the Series Pledged Funds and Series Pledged Revenues pledged to a Series of Bonds;
- (iii) insurance proceeds with respect to the loss or destruction of the Series Project or Additional Series Project or any portion thereof if a determination is made to restore, rebuild or replace such Series Project or Additional Series Project pursuant to Section 8.29 hereof; and
- (iv) such other amounts as may be provided in a Supplemental Indenture.

Amounts in such Account shall be applied to the Cost of the Series Project or Additional Series Project until the Date of Completion, at which time such amounts shall be applied in the manner set forth in Section 4.02 below.

SECTION 4.02. Payments From Project Fund. Payment of the Cost of any Series Project or Additional Series Project shall be made from the Project Fund as herein provided, and the Issuer covenants that it will not request any sums to be paid from the Project Fund except in accordance with this Section. All such payments shall be subject to the provisions and restrictions set forth in this Master Indenture, and the Issuer covenants that it will not be entitled to request any sums to be paid from the Project Fund except in accordance with such provisions and restrictions. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, before any payment from the related Series Project Account shall be made, the Issuer shall file with the Trustee a requisition in the form attached to the corresponding Supplemental Indenture, signed by a Responsible Officer and by the Consulting Engineer. Upon receipt of each such requisition the Trustee shall promptly withdraw from the Series Project Account and pay to the person, firm or corporation named in such requisition the amount designated in such requisition. The Trustee shall have no duty to investigate the accuracy or validity of the items delivered pursuant to the requisition. Moneys in the Project Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in this Section 4.02. All requisitions and engineer's certificates received by the Trustee pursuant to this Section shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the Issuer, the Consulting Engineer, the Owner of any Bonds of



the related Series, and the agents and representatives thereof. On the Date of Completion of a Series Project or Additional Series Project, the balance in the related Series Project Account not reserved for the payment of any remaining part of the Cost of the Series Project or Additional Series Project shall be transferred by the Trustee first, to the credit of the related Series Rebate Account in the amount, and to the extent necessary, at the written direction of the Issuer, so that the amount on deposit therein equals the accrued rebate obligation under Section 148(f) of the Code and thereafter to the credit of the Prepayment Subaccount of the Series Redemption Account and/or the Series Redemption Account relating to the Series of Bonds issued to finance such Series Project or Additional Series Project, as shall be specified in the related Supplemental Indenture, and used for the purposes set forth for such Account in the Supplemental Indenture relating to such Series of Bonds. The Trustee shall have no duty to determine whether the Date of Completion has occurred and the Trustee shall not be deemed to have knowledge that the Date of Completion has occurred until the Trustee has received the certificate of the Consulting Engineer establishing such Date of Completion as specified in the definition of Date of Completion in Article I hereof.

SECTION 4.03. Costs of Issuance Fund. There is created and established a fund designated as the "Costs of Issuance Fund" which shall be held by the Trustee. Pursuant to a Supplemental Indenture authorizing a Series of Bonds, the Issuer shall create a Series Cost of Issuance Account relating to that Series of Bonds into which shall be deposited a portion of the proceeds of the Series of Bonds upon delivery thereof and from which Costs of Issuance of the applicable Series of Bonds shall be paid. The amounts in the Series Costs of Issuance Account, until applied, shall be held for the security of the related Series of Bonds. Monies held for the credit of the Series Costs of Issuance Account shall be used, as and when the Issuer determines it to be appropriate as evidenced in a certificate delivered by the Issuer to the Trustee, for the purpose of paying any then unpaid Costs of Issuance of the related Series of Bonds. Requisitions from each Series Costs of Issuance Account shall be made pursuant to the requisition form attached to the Supplemental Indenture authorizing the related Series of Bonds, and the Trustee shall make disbursements from the Series Costs of Issuance Account as directed in the applicable Requisition. Amounts in the Series Costs of Issuance Account not needed to pay Costs of Issuance of the related Series of Bonds shall, except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, be transferred within 180 days from the date of issuance of the related Series of Bonds to the related Series Project Account through and including the Date of Completion and thereafter applied in accordance with the provisions of Section 4.02 hereof.

## **ARTICLE V**

### **LIEN OF INDENTURE; ESTABLISHMENT AND APPLICATION OF FUNDS AND ACCOUNTS**

SECTION 5.01. Lien of Indenture. The applicable Trust Estate is hereby irrevocably pledged for the payment of the Bonds of the related Series issued hereunder and other amounts owed hereunder and all reimbursements due to any Credit Facility Issuer for any drawing with respect to such Series of Bonds on its Credit Facility, including, without limitation, interest thereon, as required under the terms of the applicable Credit Facility Agreement, subject only to the provisions of this Master Indenture and any Supplemental Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Indenture and any such Supplemental Indenture with respect to each Series of Bonds; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Trust Estate securing such Series of Bonds, the Series Pledged Funds and Series Pledged Revenues

securing a Series of Bonds shall secure only such Series of Bonds and Bonds issued on a parity therewith and shall not secure any other Bonds or Series of Bonds. Notwithstanding anything to the contrary herein, the lien and pledge of this Master Indenture shall not apply to any moneys transferred by the Trustee to the Rebate Fund.

The foregoing pledge shall be valid and binding from and after the date of initial delivery of the Bonds and the proceeds of sale of the Bonds and all the moneys, securities and funds set forth in this Section 5.01 shall immediately be subject to the lien of the foregoing pledge, which lien is hereby created, without any physical delivery thereof or further act. Such lien shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer or the Trustee, irrespective of whether such parties have notice thereof. Such lien shall, except as provided in Section 10.04 hereof, be prior and superior to all other liens now existing or hereafter created.

SECTION 5.02. Funds and Accounts Relating to the Bonds. In addition to the Project Fund and Costs of Issuance Fund and the Accounts therein, the following Funds and Accounts are hereby established and shall be held by the Trustee, as shall be more fully specified in the related Supplemental Indenture with respect to each Series of Bonds:

(a) A Revenue Fund, and, within such Fund there shall be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Revenue Account for each Series of Bonds issued hereunder.

(b) A Debt Service Fund, and within such Fund there shall be established by Supplemental Indenture authorizing a Series of Bonds a Series Debt Service Fund and within such Series Debt Service Fund the following Accounts shall be established by the related Supplemental Indenture for each Series of Bonds issued hereunder:

(i) a Series Interest Account,

(ii) a Series Principal Account and/or Series Sinking Fund Account, and

(iii) a Series Redemption Account, and therein a Prepayment Subaccount and an Optional Redemption Subaccount.

In addition, a Series Capitalized Interest Account may be created in the Series Debt Service Fund with respect to a Series of Bonds pursuant to a Supplemental Indenture.

(c) A Debt Service Reserve Fund, and, within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Reserve Account for each such Series of Bonds issued hereunder and any Bonds issued on a parity with any such Series of Bonds hereunder.

(d) A Rebate Fund, and, within such Fund there shall be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Rebate Account for each such Series of Tax Exempt Bonds issued hereunder.

In addition to the foregoing, whenever the Issuer issues Refunding Bonds hereunder, the Issuer may, by the Certified Resolution of the Issuer or Supplemental Indenture authorizing the Refunding Bonds, direct the Trustee to establish a separate fund and to deposit therein the proceeds of the Refunding Bonds. The Certified Resolution or Supplemental Indenture shall specify the investment and application of amounts so deposited including, without limitation, the transfer thereof to any other agent or trustee of the Issuer and the time and conditions for such transfer.

SECTION 5.03. Revenue Fund and Series Revenue Accounts. The Issuer hereby covenants and agrees to deposit as soon as reasonably practicable after receipt thereof all Series Pledged Revenues (except Prepayments of related Special Assessments) when received, into the related Series Revenue Account and to deposit as soon as reasonably practicable after receipt thereof all Prepayments of related Special Assessments into the Prepayment Subaccount of the related Series Redemption Account, unless otherwise provided for in the Supplemental Indenture relating to a Series of Bonds. The Trustee may assume that any payments made by the District are not Prepayments and are to be deposited into the applicable Series Revenue Account absent written notification to the contrary to the Trustee at the time such funds are deposited with the Trustee. The Issuer may also deposit proceeds of any casualty relating to a Series Project or Additional Series Project, whether from insurance or self-insurance, to the related Series Revenue Account as provided in Section 8.29 hereof.

SECTION 5.04. Debt Service Fund and Series Debt Service Funds and Accounts.

(a) Principal, Maturity Amount, Interest and Amortization Installments. On the Business Day preceding each Interest Payment Date on the Bonds of a Series, the Trustee shall withdraw amounts on deposit in the related Series Revenue Account and, from the amount so withdrawn, shall make the following deposits in the following order of priority to the related Series Accounts:

(i) to the credit of the Series Interest Account, an amount which, together with other amounts, if any, then on deposit therein will equal the amount of interest payable on the Bonds of such Series on such Interest Payment Date;

(ii) to the credit of the Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein will equal the principal amount, if any, payable with respect to Serial Bonds of such Series on such Interest Payment Date;

(iii) in each Bond Year in which Term Bonds of such Series are subject to mandatory redemption from Amortization Installments, to the credit of the Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Amortization Installment payable on the Term Bonds of such Series on such Interest Payment Date; and

(iv) in each Bond Year in which Capital Appreciation Bonds of such Series mature, to the credit of the Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Maturity Amount payable with respect to the Capital Appreciation Bonds of such Series maturing on such Interest Payment Date;

(v) to the credit of the Series Reserve Account, an amount, if any, which, together with the amount then on deposit therein, will equal the Series Reserve Account Requirement; and

(vi) to the credit of the Series Rebate Account the Rebate Amount, if any, required to be deposited therein pursuant to the Supplemental Indenture or Rebate Covenants (hereinafter defined) relating to a Series of Tax-Exempt Bonds.

Notwithstanding the foregoing, so long as there are moneys on deposit in the related Series Capitalized Interest Account on the date required for any transfer into the Series Interest Account as set forth above, the Trustee shall, prior to making any transfer into the related Series Interest Account from the related Series Revenue Account, transfer to the related Series Interest Account from the related Series Capitalized Interest Account, the lesser of the interest on such Series of Bonds coming due on the next succeeding Interest Payment Date or the amount remaining on deposit in the related Series Capitalized Interest Account. In addition, moneys may be transferred to the appropriate Series Rebate Account from the Project Fund or Revenue Fund at the times and in the amounts necessary to pay any Rebate Amount then due.

(b) Disposition of Remaining Amounts on Deposit in Series Revenue Account. The Issuer shall authorize the withdrawal, from time to time, from the Series Revenue Account of an amount sufficient to pay the fees and charges of the Trustee, Bond Registrar, and Paying Agent relating to that Series of Bonds, when due. Except as otherwise provided in a Supplemental Indenture relating to a Series of Bonds, if following such payment, money remains in the Series Revenue Account, then, if (x) the amount on deposit in the related Series Interest Account, Series Principal Account, and Series Redemption Account equals the Debt Service Requirements on the Bonds of such Series in such Bond Year (taking into account any Bonds of such Series which are to be purchased by the Trustee pursuant to written directions from the Issuer in accordance with Section 7.04 hereof), and (y) the related Series Reserve Account in the Debt Service Reserve Fund is fully funded, then the amounts remaining in the Series Revenue Account shall, first be deposited to the credit of the related Series Rebate Account in the amount, and to the extent necessary, so that the amount on deposit therein equals the accrued rebate obligation under Section 148(f) of the Code and may thereafter, at the written direction of the Issuer, be (i) used to pay the commissions, fees, costs and any other charges of the Tax Collector and the Property Appraiser, or, if such commissions, fees, costs, or other charges have been paid by the Issuer, to reimburse the Issuer for such payment upon written request of a Responsible Officer; (ii) transferred to the related Series Optional Redemption Subaccount in the related Series Redemption Account and applied as provided herein; (iii) disbursed to the Issuer and applied to pay the operating and administrative costs and expenses of the Issuer; or (iv) applied in any combination of the foregoing.

(c) Series Reserve Account. Moneys held for the credit of a Series Reserve Account shall be used for the purpose of paying any Debt Service Requirements on the Bonds of the related Series whenever amounts on deposit in the Series Debt Service Fund shall be insufficient for such purpose. At the time of any withdrawal from a Series Reserve Account that results in a deficiency therein, the Trustee shall promptly notify the Issuer of the amount of any such deficiency and the Trustee shall withdraw the amount of such deficiency from the related Series Revenue Account, and, if amounts on deposit therein are insufficient therefor, the Issuer shall pay the amount of such deficiency to the Trustee, for deposit in such Series Reserve Account, from the first legally available sources of the Issuer; provided, however, it shall not, *a fortiori*, constitute an Event of Default

hereunder if the full amount of the foregoing deposit is not made due to an insufficiency of funds therefor. The Trustee, as of the close of business on the last Business Day in each Bond Year, after taking into account all payments and transfers made as of such date, shall compute, in the manner set forth in Section 6.03, the value of the Series Reserve Account and shall promptly notify the Issuer of the amount of any "deficiency" or "surplus" (as such terms are hereinafter defined) as of such date in such Series Reserve Account. The Issuer shall immediately pay the amount of any deficiency to the Trustee, for deposit in the Series Reserve Account, from any legally available sources of the Issuer. The Trustee, as soon as practicable after such computation, shall deposit any surplus, at the written direction of a Responsible Officer, to the credit of the Series Redemption Account or the Series Principal Account or as otherwise provided in the Supplemental Indenture relating to a Series of Bonds.

For purposes of this Section: (i) a "deficiency" shall mean, in the case of a Series Reserve Account, that the amount on deposit therein is less than the Series Reserve Account Requirement (but only after the Bond Year in which the amount on deposit therein first equals the Series Reserve Account Requirement), and (ii) a "surplus" shall mean, in the case of a Series Reserve Account, that the amount on deposit therein is in excess of the Series Reserve Account Requirement.

(d) Series Debt Service Fund. Moneys held for the credit of a Series Principal Account in a Series Debt Service Fund shall be withdrawn therefrom by the Trustee and transferred by the Trustee to the Paying Agent in amounts and at times sufficient to pay, when due, the principal of Serial Bonds of such Series, the Maturity Amount of Capital Appreciation Bonds of such Series and to redeem Term Bonds of such Series that are subject to mandatory redemption from Amortization Installments. Moneys held for the credit of a Series Interest Account in a Series Debt Service Fund shall be withdrawn therefrom by the Trustee and transferred by the Trustee to the Paying Agent in amounts and at times sufficient to pay, when due, the interest on the Bonds of such Series.

(e) Series Redemption Account. Moneys representing Prepayments and sums transferred from a Series Project Account in accordance herewith on deposit in a Prepayment Subaccount of a Series Redemption Account and/or a Series Redemption Account to the full extent of a multiple of an Authorized Denomination shall, unless otherwise provided in the Supplemental Indenture relating to such Series of Bonds, be used by the Trustee to redeem Bonds of such Series on the earliest date on which such Bonds are permitted to be called without payment of premium by the terms thereof (including extraordinary or extraordinary mandatory redemption) and of the Supplemental Indenture relating to such Series of Bonds. Such redemption shall be made pursuant to the provisions of Article VII. Except as otherwise provided in a Supplemental Indenture relating to a Series of Bonds moneys deposited in a Series Redemption Account other than from Prepayments or sums transferred from a Series Project Account may be deposited into the Series Optional Redemption Subaccount in the corresponding Series Redemption Account and shall be applied by the Trustee, at the written direction of a Responsible Officer, (i) to redeem the related Series of Bonds by calling, on or prior to the forty-fifth (45<sup>th</sup>) day preceding the date of redemption, such amount of Bonds of such Series then subject to optional redemption as, with the redemption premium, if any, will exhaust, as nearly as may be practicable, moneys on deposit in the related Optional Redemption Subaccount in a Series Redemption Account, and/or (ii) to purchase Outstanding Bonds of the related Series in accordance herewith. Such redemption or purchase shall be made pursuant to the provisions of Article VII. The Issuer shall pay all expenses incurred by the Trustee and Paying Agent in connection with any redemption or purchase.

(f) Payment to Issuer. When no Bonds of a Series remain Outstanding, and after all expenses and charges herein and in the related Supplemental Indenture and any rebate obligation under Section 148(f) of the Code required to be paid have been paid as certified to the Trustee in writing by a Responsible Officer, and after all amounts due and owing to the Trustee have been paid in full, the Trustee shall, upon the written direction of a Responsible Officer, pay any balance in the Series Funds and Series Accounts for such Series of Bonds to the Issuer, free and clear of any lien and pledge created by this Master Indenture.

SECTION 5.05. Drawings on Credit Facility. In the event that there has been issued a Credit Facility with respect to the Bonds, the Trustee shall draw on the Credit Facility, in accordance with the provisions for drawing under such Credit Facility, and within the requisite time period, all as set forth in the Credit Facility.

SECTION 5.06. Procedure When Funds Are Sufficient to Pay All Bonds. If at any time the moneys held by the Trustee in the Funds and Accounts (excluding the Project Fund) hereunder and available therefor are sufficient to pay the principal of or Redemption Price, if any, as the case may be, and interest on all Bonds of a Series then Outstanding to maturity or prior redemption, together with any amounts due the Trustee, Paying Agent, Registrar, Credit Facility Issuer, and the Issuer, and any rebate obligation under Section 148(f) of the Code, the Issuer shall direct the Trustee in writing to, and the Trustee shall, apply the amounts in the Funds and Accounts related to such Series to the payment of the aforesaid obligations, without premium, and the Issuer shall not be required to pay over any further Pledged Revenues with respect to such Bonds unless and until it shall appear that there is a deficiency in the Funds and Accounts held by the Trustee.

SECTION 5.07. Trust Funds. All amounts on deposit in Series Funds and Series Accounts for the benefit of a Series of Bonds shall:

(a) be used only for the purposes and in the manner provided herein and in the Supplemental Indenture relating to such Series of Bonds and, pending such application, be held by the Trustee in trust for the benefit of the Owners of such Series of Bonds;

(b) be irrevocably pledged to the payment of such Series of Bonds, except for amounts on deposit in the Series Rebate Accounts in the Rebate Fund;

(c) be held and accounted for separate and apart from all other Funds and Accounts, including Series Funds and Series Accounts of other Series of Bonds, and other funds and accounts of the Trustee and the Issuer;

(d) except for amounts on deposit in the Series Rebate Accounts in the Rebate Fund, until applied for the purposes provided herein, be subject to a first lien in favor of the Owners of such Series of Bonds and any *pari passu* obligations to Credit Facility Issuers with respect to such Series of Bonds, which lien is hereby created, prior and superior to all other liens now existing or hereafter created, and, to a second lien in favor of the Trustee, as security for the reasonable compensation for the services of the Trustee hereunder, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, subordinate and inferior to the security interest granted to the Owners of such Series of Bonds and any *pari passu* obligations to Credit Facility Issuers with respect to such Series of Bonds, but nevertheless payable in the order of priority as set forth in Section 9.10 hereof upon the occurrence of an Event of Default; and

(e) shall not be subject to lien or attachment by any creditor of the Trustee or any creditor of the Issuer or any other Series of Bonds other than the Owners of such Series of Bonds and the Credit Facility Issuer with respect to such Series of Bonds, except to the extent provided in Section 10.04 hereof.

Notwithstanding anything to the contrary herein, the Trustee is authorized and directed to transfer moneys from the Series Accounts in the Project Fund and Reserve Fund to the credit of the related Series Rebate Account in the amount, and to the extent necessary, at the written direction of the Issuer, so the amount on deposit therein equals the accrued rebate obligation under Section 148(f) of the Code with respect to the applicable Series of Bonds.

## **ARTICLE VI SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS**

SECTION 6.01. Deposits and Security. All moneys received by the Trustee for deposit in any Fund or Account established under this Master Indenture shall be considered trust funds, shall not be subject to lien or attachment, except for the lien created by this Master Indenture, and shall be deposited in the commercial department of the Trustee, until or unless invested or deposited as provided in Section 6.02 hereof. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, or with respect to deposits of a type described in item (v) of the definition of Investment Securities, all deposits of moneys received by the Trustee under this Master Indenture in the commercial department of the Trustee (whether original deposits under this Section 6.01 or deposits or redeposits in time accounts under Section 6.02) shall, to the extent not insured, and to the extent permitted by law, be fully secured as to both principal and interest earned, by Investment Securities. If at any time the commercial department of the Trustee is unwilling to accept such deposits or unable to secure them as provided above, the Trustee may deposit such moneys with any other depository which is authorized to receive them and the deposits of which are insured by the Federal Deposit Insurance Corporation (including the FDIC's Savings Association Insurance Fund). All deposits in any other depository in excess of the amount covered by insurance (whether under this Section 6.01 or Section 6.02 as aforesaid) shall, to the extent permitted by law, be fully secured as to both principal and interest earned, in the same manner as required herein for deposits with the Trustee. Such security shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000.

SECTION 6.02. Investment or Deposit of Funds. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, the Trustee shall, as directed by the Issuer in writing, invest moneys held in the Project Fund, the Cost of Issuance Fund, the Revenue Fund, the Debt Service Fund, the Rebate Fund and the Debt Service Reserve Fund, and all accounts therein, only in Investment Securities. All investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth herein. All securities securing investments under this Section shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such

investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made and retained therein except as otherwise provided in the Supplemental Indenture authorizing a Series of Bonds. Upon written request of the Issuer, or on its own initiative whenever payment is to be made out of any Fund or Account, the Trustee shall sell such securities as may be requested to make the payment and restore the proceeds to the Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof, unless it has failed to make investments in accordance with written directions of the Issuer. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the Revenue Fund.

The Trustee shall make investments in accordance with the specific written instructions of the Issuer, and if the Issuer has failed to give specific instructions, in accordance with the standing instructions, if any, of the Issuer. Absent specific or standing instructions from the Issuer, all moneys in the Funds and Accounts established under this Master Indenture shall be held uninvested. The Trustee shall not be liable or responsible for any loss or entitled to any gain resulting from any investment or sale upon the investment instructions of the Issuer or otherwise, including that set forth in the first sentence of this paragraph, or for any losses because such amounts were not invested. The Trustee may conclusively rely upon the Issuer's written instructions as to both the suitability and legality of all investments directed hereunder or under any Supplemental Indenture, and such written instructions shall be deemed to certify to the Trustee that the investments directed constitute Investment Securities. Ratings of investments shall be determined by the Issuer at the time of purchase of such investments and without regard to ratings subcategories. The Trustee shall have no responsibility to determine the ratings of such investments or monitor the ratings of investments. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades. Confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

**SECTION 6.03. Valuation of Funds.** The Trustee shall value the assets in each of the Funds and Accounts established hereunder as of September 30 of each Fiscal Year, and as soon as practicable after each such valuation date (but no later than ten (10) days after each such valuation date) shall provide the Issuer a report of the status of each Fund and Account as of the valuation date. In computing the assets of any Fund or Account, investments and accrued interest thereon shall be deemed a part thereof, subject to Section 6.02 hereof. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder (other than the Debt Service Reserve Fund), obligations in which money in such Fund or Account shall have been invested shall be valued at the market value thereof. For the purpose of determining the amount on deposit to the credit of the Debt Service Reserve Fund, obligations in which money in such Fund shall have been invested shall be valued at the market value thereof or the amortized cost thereof, whichever is lower. The Trustee does and shall not make any representation as to the accuracy of any quotation of the market value of any investment (or the accrued interest thereon) in any Fund or Account. The Trustee shall (i) only be required to report the market value of any investment according to the price provided by pricing services and sources relied upon by the Trustee, and (ii)



not have any duty to independently value any investment other than the price provided by pricing services and sources relied upon by the Trustee.

## **ARTICLE VII**

### **REDEMPTION AND PURCHASE OF BONDS**

SECTION 7.01. Redemption Generally. The Bonds of any Series may be subject to redemption, either in whole or in part on any date, and at such times, in the manner and at such prices, as may be provided by the Supplemental Indenture authorizing the issuance of such Series of Bonds. The Issuer shall provide written notice to the Trustee of any optional redemption on or before the forty-fifth (45<sup>th</sup>) day next preceding the date to be fixed for such optional redemption.

Unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, if less than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular Bonds of a Series to be redeemed shall be selected by lot in such reasonable manner as the Bond Registrar for such Series in its discretion may determine. The portion of any Series of Bonds to be redeemed shall be in an Authorized Denomination and, in selecting the Bonds of such Series to be redeemed, the Bond Registrar for such Series shall treat each such Bond as representing that number of Bonds of such Series which is obtained by dividing the principal amount of such Bond by an Authorized Denomination (such amount being hereafter referred to as the "unit of principal amount"). If it is determined that one or more, but not all, of the units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such unit or units of principal amount as provided below, the registered Owner of such Bond, upon surrender of such Bond to the Paying Agent for such Bond for payment to such registered Owner of the Redemption Price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Bond or Bonds of such Series in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond; provided, however, while Bonds are maintained under a book-entry only system, no presentation of Bonds is required. New Bonds of such Series representing the unredeemed balance of the principal amount shall be issued to the Owner thereof without any charge therefor. If the Owner of any Bond of a denomination greater than the unit of principal amount to be redeemed shall fail to present such Bond to the Paying Agent for such Bond for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption.

SECTION 7.02. Notice of Redemption. When required to redeem Bonds under any provision of this Master Indenture or directed to do so in writing by the Issuer, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed at least thirty (30) but not more than sixty (60) days prior to the redemption date to all Owners of Bonds to be redeemed (as such Owners appear on the Bond Register on the fifth (5<sup>th</sup>) day prior to such mailing), at their registered addresses and also to any Credit Facility Issuer providing a Credit Facility securing such Bonds, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption of the Bonds for which notice was duly mailed in accordance with this Section 7.02. Such notice shall be given in the name of the Issuer, shall be dated, shall set forth the Bonds Outstanding which shall be called for redemption and shall include, without limitation, the following additional information:

- (a) the redemption date;

- (b) the Redemption Price;
- (c) CUSIP numbers, to the extent applicable, and any other distinctive numbers and letters;
- (d) if less than all Outstanding Bonds of a Series are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- (e) that on the redemption date the Redemption Price will become due and payable upon surrender of each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and
- (f) the place where such Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be a corporate trust office of the Trustee.

If at the time of mailing of notice of an optional redemption, the Issuer shall not have deposited with the Trustee or Paying Agent for the Bonds to be redeemed, moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that it is subject to the deposit of the redemption moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited. Notwithstanding any other provision of this Master Indenture, notice of optional redemption may also be conditioned upon the occurrence or non-occurrence of such other event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the Issuer if expressly set forth in such notice.

If the amount of funds deposited with the Trustee for such redemption, or otherwise available, is insufficient to pay the Redemption Price and accrued interest on the Bonds of a Series so called for redemption on the redemption date, the Trustee shall redeem and pay on such date an amount of such Bonds for which such funds are sufficient, selecting the Bonds to be redeemed by lot from among all such Bonds called for redemption on such date, and among different maturities of Bonds in the same manner as the initial selection of Bonds to be redeemed, and from and after such redemption date, interest on the Bonds or portions thereof so paid shall cease to accrue and become payable; but interest on any Bonds or portions thereof not so paid shall continue to accrue until paid at the same rate as it would have had such Bonds not been called for redemption.

The notices required to be given by this Section 7.02 shall state that no representation is made as to correctness or accuracy of the CUSIP numbers listed in such notice or printed on the Bonds.

**SECTION 7.03. Payment of Redemption Price.** If any required (a) unconditional notice of redemption has been duly mailed or waived by the Owners of all Bonds of a Series called for redemption or (b) conditional notice of redemption has been so mailed or waived and the redemption moneys have been duly deposited with the Trustee or Paying Agent for such Bonds, then in either case, the Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price plus accrued interest, if any, to the redemption date. Bonds so called for redemption, for which moneys have been duly deposited with the Trustee, will cease to bear interest

on the specified redemption date, shall no longer be secured by this Master Indenture and related Supplemental Indenture and shall not be deemed to be Outstanding under the provisions of this Master Indenture and related Supplemental Indenture.

Payment of the Redemption Price, together with accrued interest, shall be made by the Trustee or applicable Paying Agent to or upon the order of the Owners of the Bonds called for redemption upon surrender of such Bonds. The Redemption Price of the Bonds to be redeemed, the interest accrued on the Bonds to be redeemed, the expenses of giving notice and any other expenses of redemption, shall be paid out of the Fund or Account from which redemption is to be made or by the Issuer.

SECTION 7.04. Purchase of Bonds of a Series. The Issuer may purchase Bonds of a Series then Outstanding at any time, whether or not such Bonds shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, having regard to maturity, option to redeem, rate and price, such price not to exceed the principal of such Bonds plus the amount of the premium, if any, which would be payable on the next redemption date to the Owners of such Bonds under the provisions of this Master Indenture and the Supplemental Indenture pursuant to which such Series of Bonds were issued if such Bonds were called for redemption on such date. Before making each such purchase, the Issuer shall file with the Trustee a statement in writing directing the Trustee to pay the purchase price of the Bonds of such Series so purchased upon their delivery and cancellation, which statement shall set forth a description of such Bonds, the purchase price to be paid therefor, the name of the seller and the place of delivery of the Bonds. At the written direction of the Issuer, the Trustee shall either: (i) pay the interest accrued on such Bonds to the date of delivery thereof from the related Series Interest Account and the principal portion of the purchase price of Serial Bonds which would have been payable during the Bond Year in which the purchase occurs from the related Series Principal Account or (ii) pay the interest accrued on such Bonds to the date of delivery thereof and the principal portion of the purchase price of Serial Bonds which would have been payable during the Bond Year in which the purchase occurs from the Optional Redemption Subaccount in the related Series Redemption Account, but no such purchase shall be made after the Record Date in any Bond Year in which the Bonds to be purchased have been called for redemption. To the extent that such purchase is not to be made from the related Optional Redemption Subaccount and insufficient moneys are on deposit in a related Series Interest Account to pay the accrued interest portion of the purchase price of any Bonds or in a related Series Principal Account to pay the aforescribed principal amount of the purchase price of any Serial Bond, the Trustee shall transfer into such Accounts from the related Series Revenue Account sufficient moneys to pay such respective amounts. To the extent that such purchase is not to be made from the related Optional Redemption Subaccount and there are insufficient moneys on deposit in the related Series Principal Account with which to pay the principal portion of the purchase price of any Term Bonds, the Trustee may, at the written direction of the Issuer, transfer moneys into such related Series Principal Account from the related Series Revenue Account to pay the principal amount of such purchase price, but only in an amount no greater than the Amortization Installment related to such Series of Bonds coming due in the current Bond Year calculated after giving effect to any other purchases of Term Bonds during such Bond Year. The Trustee may pay the principal portion of the purchase price of Term Bonds having maturities different from or in amounts greater than set forth in the next preceding sentence from amounts on deposit in the related Series Principal Account and the Trustee may transfer moneys from the related Series Revenue Account to the related Series Principal Account for such purpose, but only upon delivery of written instructions from a Responsible Officer to the Trustee accompanied by a certificate of a Responsible Officer: (i) stating

that sufficient moneys are on deposit in the Series Principal Account, after giving effect to any transfers from the related Series Revenue Account, to pay the principal portion of the purchase price of such Term Bonds; (ii) setting forth the amounts and maturities of Term Bonds of such Series which are to be redeemed from such amounts and the Amortization Installments against which the principal amount of such purchases are to be credited; and (iii) setting forth cash flow statements which demonstrate that, after giving effect to the purchase of Term Bonds in the amounts and having the maturities and with the credits against Amortization Installments set forth in clause (ii) above and any transfers from the related Series Revenue Account, the Series Pledged Revenues to be received by the Issuer in the current and in each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of and interest on all Bonds of such Series. If any Bonds are purchased pursuant to this Section, the principal amount of the Bonds so purchased shall be credited as follows (unless otherwise provided in the Supplemental Indenture relating to such Bonds):

(i) if the Bonds are to be purchased from amounts on deposit in the Prepayment Subaccount of a Series Redemption Account, against the principal coming due or Amortization Installments set forth in the certificate of the Responsible Officer accompanying the direction of the Issuer to effect such purchase; or

(ii) if the Bonds are Term Bonds of a Series, against the Amortization Installment for Bonds of such Series first coming due in the current Bond Year, or, if such Term Bonds so purchased are to be credited against Amortization Installments coming due in any succeeding Bond Year, against the Amortization Installments on Term Bonds of such Series maturing on the same date and designated in the certificate of the Responsible Officer accompanying the direction of the Issuer to effect such purchase; or

(iii) against the principal or Maturity Amount of Serial Bonds coming due on the maturity date of such Serial Bond.

## **ARTICLE VIII COVENANTS OF THE ISSUER**

**SECTION 8.01. Power to Issue Bonds and Create Lien.** The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Bonds of each Series, to adopt and execute and deliver this Master Indenture, to adopt and execute Supplemental Indentures, and to pledge the Pledged Funds and Pledged Revenues in the manner and to the extent provided herein. Except as provided herein and as may be provided in a Supplemental Indenture relating to a Series of Bonds, the Pledged Funds and the Pledged Revenues relating to each Series of Bonds are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of such Bonds of each Series and any Credit Facility Issuer providing a Credit Facility securing such Bonds. The Bonds of each Series and the provisions of this Master Indenture are and will be valid and legally enforceable obligations of the Issuer in accordance with their respective terms. The Issuer shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by this Master Indenture and all the rights of the Bondholders and any Credit Facility Issuer under this Master Indenture against all claims and demands of all other Persons whomsoever.

**SECTION 8.02. Payment of Principal and Interest on Bonds.** The Issuer shall promptly pay the interest on and the principal of or Redemption Price, if any, of every Bond issued hereunder

according to the terms thereof, but shall be required to make such payment only out of the portion of the Trust Estate pledged to each Series of Bonds. The Issuer shall appoint one or more Paying Agents for such purpose, each such agent to be a bank and trust company or a trust company or a national banking association having trust powers.

SECTION 8.03. Pledged Revenues.

(a) The Issuer shall pay, or cause to be paid, Pledged Revenues as received to the Trustee in accordance with the provisions hereof. The Issuer shall assess and levy Assessments which constitute Series Pledged Revenues for the payment of any Series of Bonds. The Issuer shall further collect, or cause to be collected, Pledged Revenues and enforce payments thereof to the extent and in an amount sufficient to pay the Debt Service Requirements on all Outstanding Series of Bonds to which such Pledged Revenues are pledged.

(b) If any Assessments shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer shall be satisfied that any Assessments levied by it are so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have omitted to make such Assessments when it might have done so, the Issuer shall either (i) take all necessary steps to cause new Assessments to be made by it for the whole or any part of said improvement or against any property benefited by said improvement, or (ii) in its sole discretion, make up the amount of such Assessments from legally available moneys, which moneys shall be deposited into the applicable Series Revenue Account in the Revenue Fund. In case such second Assessments shall be annulled, the Issuer shall obtain and make Assessments until valid Assessments shall be made.

SECTION 8.04. Method of Collection. Unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, pursuant to the procedures set forth in Section 197.3631, Florida Statutes, the Issuer will use its best efforts to enter into an agreement with the Property Appraiser (the "Property Appraiser Agreement") and an agreement with the Tax Collector (the "Tax Collector Agreement") with respect to each Series of Bonds, pursuant to which the Property Appraiser and Tax Collector will agree to list on the tax roll for each of the subsequent tax years any Assessments which are pledged to the payment of any Series of Bonds, to include in the notice of proposed property taxes the dollar amount of such Assessments and to include on the tax notice issued pursuant to Section 197.322, Florida Statutes, the dollar amount of such Assessments. The Issuer will agree to provide by not later than September 15 of each year (or such earlier date as shall be required by the Tax Collector or the Property Appraiser) the amount of any such Assessment to be levied against each parcel in the Assessment Area. The term of the Property Appraiser and Tax Collector Agreements will continue until after the final Debt Service Requirements are scheduled to be paid on the Series of Bonds to which such Assessments are pledged. If the Issuer is unable to enter into the Property Appraiser and Tax Collector Agreements or to keep them in place for the period described above, despite use of its best efforts to do so, then the Issuer covenants that the Assessments will be levied and collected by it in any other manner authorized by law.

Notwithstanding the foregoing, unless otherwise provided in a Supplemental Indenture relating to a Series of Bonds, the Issuer shall not be required to cause the Tax Collector to collect any Special Assessments (i) which are due and payable within a period of less than ten calendar years from the date of levy thereof, or, (ii) that are levied against benefitted land that has not yet been platted for its ultimate use, or, (iii) with respect to Special Assessments which are pledged as

security for bond anticipation notes issued by the Issuer. The election to collect and enforce Special Assessments in any year pursuant to any one method shall not, to the extent permitted by law, preclude the Issuer from electing to collect and enforce Special Assessments pursuant to any other method permitted by law in any subsequent year.

Except as may otherwise be provided in a Supplemental Indenture with respect to a Series of Bonds, following an Event of Default with respect to a Series of Bonds, and while it is continuing, the Trustee or the Majority Owners of the Bonds of that Series may direct the Issuer as to the collection method to be used by it with respect to Assessments relating to the Bonds of that Series.

SECTION 8.05. Delinquent Assessments. Subject to the provisions of Section 8.04 hereof, if the owner of any lot or parcel of land subject to the Assessments pledged to a Series of Bonds shall be delinquent in the payment of any Assessments collected in accordance with the provisions of Chapter 197, Florida Statutes, or any successor statutes thereto, then such Assessments shall be enforced pursuant to the provisions of Chapter 197, Florida Statutes, or any successor statute thereto, including but not limited to the sale of tax certificates and tax deed as regards such Delinquent Assessments. In the event the provisions of Chapter 197, Florida Statutes, and any provisions of the Act with respect to such sale are inapplicable by operation of law, or the Assessments are being billed and collected directly by the Issuer, then upon the delinquency of any Assessments the Issuer shall, to the extent permitted by law, and subject to any applicable provisions of the related Supplemental Indenture with respect to a Series of Bonds, utilize any other method of enforcement as provided by Section 8.04 hereof, including, without limitation, declaring the entire unpaid balance of such Assessments to be in default and, at its own expense, cause such delinquent property to be foreclosed, in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, Florida Statutes, or otherwise as provided by the Act.

SECTION 8.06. Sale of Tax Certificates and Issuance of Tax Deeds; Foreclosure of Assessment Liens. If the Assessments levied and collected under the uniform method described in Section 8.04 are delinquent, then, if available, the applicable procedures for issuance and sale of tax certificates and tax deeds for nonpayment shall be followed in accordance with Chapter 197, Florida Statutes and related statutes. Alternatively, if the uniform method of levy and collection is not utilized, the following provisions of this Section 8.06 shall apply, unless otherwise provided in a Supplemental Indenture relating to a Series of Bonds. If any lands in the Assessment Area shall be offered for sale for the nonpayment of any Assessments, and no person or persons shall purchase the same for an amount at least equal to the full amount due on the Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the Issuer may then purchase such lands, for an amount equal to the balance due on the Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any) from any legally available funds of the Issuer. The Issuer shall thereupon receive in its corporate name or in the name of a special-purpose entity the title to the property for the benefit of the Registered Owners of the Series of Bonds to which such Assessments were pledged and either through its own actions or actions caused to be done through the Trustee, shall use its best efforts to lease or sell such property and deposit all of the net proceeds of any such lease or sale into the related Series Revenue Account. The Majority Owners of the Series of Bonds to which such Assessments were pledged may direct the Issuer as to whether to take title to the property in its corporate name or in the name of a special purpose entity. Not less than ten (10) days prior to the filing of any foreclosure action or any sale of tax deed as herein provided, the Issuer shall cause written notice thereof to be mailed to the registered Owners of the Bonds secured by such

Delinquent Assessments. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the Issuer, it shall give written notice thereof to such registered Owners. The Issuer, either through its own actions or actions caused to be done through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the registered Owners of the related Series of Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee, acting at the written direction of the registered Owners of at least twenty-five percent (25%) of the aggregate principal amount of all Outstanding Bonds of the related Series.

SECTION 8.07. Construction to be on District Lands. The Issuer covenants that no part of a Series Project or Additional Series Project will be constructed on, over or under lands other than (i) lands good and marketable title to which is owned by the Issuer or other appropriate entity in fee simple, (ii) lands on, over or under which the Issuer or other appropriate entity shall have acquired perpetual easements for the purposes of the Series Project or Additional Series Project, or (iii) lands, including public streets and highways, the right to the use and occupancy of which for such purposes shall be vested in the Issuer or other appropriate entity by law or by valid franchises, licenses, easements or rights of way or other legally effective permissions or approval.

SECTION 8.08. Operation, Use and Maintenance. The Issuer shall establish and enforce reasonable rules and regulations governing the use and operation of any portion of a Series Project or Additional Series Project owned by the Issuer, such rules and regulations to be adopted in accordance with the Act, and the Issuer shall operate, use and maintain any portion of a Series Project or Additional Series Project owned by the Issuer in accordance with the Act and all other applicable federal and State laws, rules and regulations; the Issuer shall maintain and operate any portion of a Series Project or Additional Series Project owned by the Issuer in an efficient and economical manner, shall at all times maintain the same in good repair and in sound operating condition and shall make all necessary repairs, renewals and replacements.

SECTION 8.09. Observance of and Compliance with Valid Requirements. The Issuer shall pay all municipal or governmental charges lawfully levied or assessed upon a Series Project or Additional Series Project or any part thereof or upon any revenues when the same shall become due, and the Issuer shall duly observe and comply with all valid and applicable requirements of any municipal or governmental authority relative to the Series Project or Additional Series Project. The Issuer shall not, except as otherwise provided in Section 8.19 of this Indenture, create or suffer to be created any lien or charge upon a Series Project or Additional Series Project or upon Series Pledged Funds or Series Pledged Revenues, except the lien and charge of the Series of Bonds to which such Pledged Funds and Pledged Revenues are pledged.

SECTION 8.10. Payment of Operating or Maintenance Costs by State or Others. The Issuer may permit the United States of America, the State, the County, any municipality, or any of their agencies, departments or political subdivisions or any other person or entity to pay all or any part of the cost of maintaining, repairing and operating a Series Project or Additional Series Project out of funds other than Pledged Revenues and other non-ad valorem assessments of the Issuer.

SECTION 8.11. Use of Revenues for Authorized Purposes Only. None of the Pledged Funds or Pledged Revenues shall be used for any purpose other than as provided in this Master Indenture and the Act and no contract or contracts shall be entered into or any action taken by the Issuer which will violate the provisions of this Master Indenture or the Act.

SECTION 8.12. Books and Records. The Issuer shall keep proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to each Series Project and Additional Series Project, and which, together with all other books and records of the Issuer, including, without limitation, insurance policies, relating to each Series Project and Additional Series Project, shall at all times be subject during regular business hours to the inspection of the Trustee.

The reports, statements and other documents required to be furnished by the Issuer to the Trustee pursuant to any provisions of this Master Indenture shall be available for the inspection of Bondholders at the office of the Trustee.

SECTION 8.13. Observance of Accounting Standards. The Issuer covenants that all the accounts and records of the Issuer relating to each Series Project and Additional Series Project will be kept according to Generally Accepted Accounting Principles consistently applied and consistent with the provisions of this Master Indenture.

SECTION 8.14. Employment of Certified Public Accountant. The Issuer shall employ or cause to be employed as required a Certified Public Accountant to perform accounting and auditing functions and duties required by Sections 8.17 of this Master Indenture.

SECTION 8.15. Establishment of Fiscal Year, Annual Budget. The Issuer has established a Fiscal Year beginning October 1 of each year and ending September 30 of the following year. The reports and budget of the Issuer shall relate to such Fiscal Year unless and until, in accordance with applicable law, a different Fiscal Year is established.

On or before the first day of each Fiscal Year the Issuer shall adopt a final Annual Budget with respect to each Series Project and Additional Series Project for such Fiscal Year for the payment of anticipated operating and maintenance expenses. If for any reason the Issuer shall not have adopted the Annual Budget with respect to each Series Project and Additional Series Project on or before the first day of any Fiscal Year, the Annual Budget for the preceding Fiscal Year shall, until the adoption of the new Annual Budget, be deemed in force for the ensuing Fiscal Year. The Issuer may at any time adopt an amended or supplemental Annual Budget for the remainder of the current Fiscal Year, and when such amended or supplemental Annual Budget is approved it shall be treated as the official Annual Budget under this Master Indenture.

SECTION 8.16. Employment of Consulting Engineer. The Issuer shall, for the purpose of performing and carrying out the duties, if any, imposed on the Consulting Engineer by this Master Indenture, employ one or more Independent engineers or engineering firms or corporations having a statewide and favorable reputation for skill and experience in such work.

SECTION 8.17. Audit Reports. The Issuer covenants that, no later than the date required by applicable Florida law in effect from time following the end of each Fiscal Year for the Issuer to cause an audit to be made, it will cause an audit to be made by a Certified Public Accountant covering all receipts and moneys then on deposit with or in the name of the Trustee or the Issuer and any security held therefor and any investments thereof.

SECTION 8.18. [RESERVED].



SECTION 8.19. Covenant Regarding Sale or Encumbrance. Subject to obtaining an opinion of Bond Counsel that such action will not adversely affect the exemption from federal income tax of the interest on any Tax Exempt Bonds, the Issuer may sell, lease or otherwise dispose of or encumber any Series Project and Additional Series Project, or any part thereof, including, without limitation, pursuant to lease-purchase agreements, and by granting use rights, licenses, easements, franchises or concessions for the use of any part of any Series Project and Additional Series Project. A Supplemental Indenture may set forth additional restrictions on the sale, lease, disposition or encumbrance of any Series Project or Additional Series Project. The proceeds of any such sale or disposition (to the extent not part of the Series Pledged Funds and Series Pledged Revenues pledged to a Series of Bonds) shall be deposited, at the written direction of the Issuer to the credit of the related Series Revenue Account or related Series Project Account.

SECTION 8.20. No Loss of Lien on Pledged Revenues. The Issuer shall not do or omit to do, or suffer to be done or omit to be done, any matter or thing whatsoever whereby the lien of a Series of Bonds on the Pledged Funds and Pledged Revenues or any part thereof pledged to such Series, or the priority thereof, would be lost or impaired; provided, however, that this Section shall not prohibit the Trustee from transferring moneys to the Rebate Fund or Accounts therein held by the Trustee under any arbitrage rebate agreement.

SECTION 8.21. Compliance With Other Contracts and Agreements. The Issuer shall comply with and abide by all of the terms and conditions of any and all contracts and agreements which the Issuer enters into in connection with any Series Project or Additional Series Project and the issuance of Bonds.

SECTION 8.22. Issuance of Additional Obligations. The Issuer shall not issue or incur any obligations payable from the proceeds of Series Pledged Revenues securing a Series of Bonds (other than such related Series of Bonds) nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge upon such Series Pledged Revenues other than the lien of the related Series of Bonds or Additional Bonds on a parity therewith except for fees, commissions, costs, and other charges payable to the Property Appraiser or to the Tax Collector pursuant to Florida law or amounts payable to the Trustee and any Credit Facility Issuer.

SECTION 8.23. Extension of Time for Payment of Interest Prohibited. The Issuer shall not directly or indirectly extend or assent to an extension of time for payment of any claim for interest on any of Series of the Bonds and shall not directly or indirectly be a party to or approve any arrangement therefor by purchasing or funding or in any manner keeping alive any such claim for interest; no claim for interest which in any way, at or after maturity, shall have been transferred or pledged apart from the Series of Bonds to which it relates or which shall in any manner have been kept alive after maturity by extension or by purchase thereof by or on behalf of the Issuer, shall be entitled, in case of a default hereunder, to any benefit or security under this Master Indenture or Supplemental Indenture except after the prior payment in full of the principal of all Bonds and claims for interest appertaining thereto not so transferred, pledged, kept alive or extended.

SECTION 8.24. Further Assurances. The Issuer shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be

reasonably required to carry out the purposes of this Master Indenture or any Supplemental Indenture.

**SECTION 8.25. Investments and Use of Proceeds to Comply with Internal Revenue Code of 1986, as amended.**

(a) The Issuer covenants with the Holders of each Series of Tax Exempt Bonds that it shall comply with the requirements of the Code necessary to maintain the exclusion of interest on such Series of Tax Exempt Bonds from gross income for purposes of federal income taxation, including the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code, and, in particular, that it shall not make or direct the making of any investment or other use of proceeds of such Series of Tax Exempt Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the interest on such Series of Tax Exempt Bonds to be or become subject to federal income taxation, nor shall it fail to do any act which would cause such interest to become subject to federal income taxation.

(b) The Issuer covenants with the Holders of each Series of Tax Exempt Bonds that neither the Issuer nor any other person under its control or direction will make any investment or other use of the proceeds of such Bonds (or amounts deemed to be proceeds under the Code) or make any use of the Series Project or Additional Series Project financed by such Series of Tax Exempt Bonds in any manner which would cause such Bonds to be "private activity bonds" as that term is defined in Section 141 of the Code (or any successor provision thereto) or "arbitrage bonds" as that term is defined in Section 148 of the Code (or any successor provision thereto) and that it will comply with such sections of the Code throughout the term of the Tax Exempt Bonds of each Series.

(c) The provisions of this Section shall survive any defeasance of any Tax Exempt Bonds of a Series pursuant to Article XIII hereof.

**SECTION 8.26. Corporate Existence and Maintenance of Properties.** For so long as any Bonds are Outstanding hereunder, unless otherwise provided by the Act, the Issuer shall maintain its corporate existence and shall provide for or otherwise require each Series Project or Additional Series Project, and all parts thereof owned by the Issuer to be (a) continuously operated, repaired, improved and maintained as shall be necessary to provide adequate service to the lands benefited thereby; and (b) in compliance with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements and directions of any competent public authority.

**SECTION 8.27. Continuing Disclosure.** The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of each Continuing Disclosure Agreement. Notwithstanding any other provision of this Master Indenture, failure of the Issuer (or any other third party obligated pursuant to any Continuing Disclosure Agreement) to comply with any Continuing Disclosure Agreement shall not be considered an Event of Default with respect to the related Series of Bonds; however, with respect to each Continuing Disclosure Agreement, the Trustee may (and, at the written request of any Participating Underwriter of the related Series of Bonds or the Holders of at least 25% aggregate principal amount in Outstanding Bonds of the related Series of Bonds and receipt of indemnity to its satisfaction, shall) or any Holder of the related Series of Bonds or Beneficial Owner with respect to the related Series of Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Section 8.27. For purposes of this Section, "Beneficial

Owner" means, with respect to a Series of Bonds, any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds of a Series (including persons holding Bonds of a Series through nominees, depositories or other intermediaries), or (b) is treated as the Owner of any Bonds of a Series for federal income tax purposes.

The Trustee shall have no obligation to pay any amounts required to be rebated pursuant to this Section other than at the written direction of the Issuer and from moneys held in the Rebate Fund or from other moneys provided to it by the Issuer. The Trustee shall not be deemed to have constructive knowledge of the Code or regulations, rulings and judicial decisions concerning the Code.

SECTION 8.28. Arbitrage Rebate Covenants. The Issuer hereby establishes the Rebate Fund to be held in the custody of the Trustee and covenants and agrees to establish within the Rebate Fund a Series Rebate Account for each Series of Tax Exempt Bonds. Prior to the issuance of each Series of Tax Exempt Bonds, the Issuer shall execute and deliver a certificate containing arbitrage rebate covenants (the "Rebate Covenants") as to said Bonds. The Issuer shall make deposits to the Series Rebate Account established for a Series of Tax Exempt Bonds in the amounts and at the times required by the Rebate Covenants and shall make or cause to be made payments from the applicable Series Rebate Account 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 Issuer covenants for the benefit of the Bondholders of each Series of Tax Exempt Bonds that it will comply with the requirements of the Rebate Covenants applicable to such Series. There shall be excluded from the pledge and lien of this Master Indenture the Rebate Fund and each Series Rebate Account, together with all monies and securities from time to time held therein and all investment earnings derived therefrom. The Issuer shall not be required to comply with the requirements of this Section with respect to a Series of Tax Exempt Bonds, or with the Rebate Covenants applicable to such Series, in the event that the Issuer obtains an opinion of Bond Counsel that: (i) such compliance is not required in order to maintain the federal income tax exemption of interest on the applicable Series of Bonds; and/or (ii) compliance with some other requirement is necessary to maintain the federal income tax exemption of interest on the applicable Series of Bonds or is a permissible substitute for any deleted requirement. At the written direction of the Issuer, the Trustee shall pay to the United States, out of amounts in the applicable Series Rebate Account in the Rebate Fund established for the related Series of Bonds, the rebate requirement, in the amounts and at the times required by the Rebate Covenants or any letter of instructions given in connection therewith, subject to the provisions thereof. In the event that, prior to the time of any required payment out of any Series Rebate Account in the Rebate Fund, the amount in said Series Rebate Account is not sufficient to make such payment when such payment is due, the Issuer shall deposit with the Trustee for application to the applicable Series Rebate Account in the Rebate Fund an amount equal to such deficiency in said Series Rebate Account prior to the time such payment is due. Any funds remaining in each Series Rebate Account of the Rebate Fund, after redemption and payment of all of the Bonds of a Series relating to such Series Rebate Account and any amounts required to be paid to the United States, or provision made therefor satisfactory to the Trustee, including accrued interest and payment of any applicable fees or other amounts to the Trustee and satisfaction of the rebate requirement described in the Rebate Covenants, and after paying all expenses and fees of any Credit Facility Issuer and the Trustee, shall be withdrawn by the Trustee and remitted to the Issuer. The Issuer shall adopt an amendment or supplement to this Master Indenture and related Supplemental Indenture, or to the Rebate Covenants relating to the Series of Bonds, as may be applicable, to reflect the deletion or substitution of any

such requirement. The provisions of this Section shall survive any defeasance of any Series of Tax Exempt Bonds pursuant to Article XIII hereof.

SECTION 8.29. Insurance. The Issuer shall maintain insurance with respect to each Series Project and Additional Series Project as certified to by the Consulting Engineer, in the form of multiple peril, all risks insurance, provided by a responsible insurance company or companies licensed to and doing business in the State, in the amount recommended by the Consulting Engineers, to the extent such insurance is obtainable from time to time. Notwithstanding the foregoing, the Issuer may institute and maintain self-insurance programs with regard to such risks as shall be consistent with the recommendations of the Consulting Engineers. The net proceeds of any casualty, whether from insurance or self-insurance, may be deposited to the related Series Project Account to be used to repair, restore, rebuild or replace the related Series Project or Additional Series Project. If the Issuer determines not to deposit such net proceeds to the Series Project Account or if such net proceeds (together with any other legally available funds of the Issuer the Issuer determines to make available for such purposes) are insufficient to accomplish the repair, restoration, rebuilding or replacement of the related Series Project or Additional Project, such net proceeds shall be deposited to the related Series Revenue Account and applied in accordance herewith.

## **ARTICLE IX EVENTS OF DEFAULT AND REMEDIES**

SECTION 9.01. Events of Default Defined. Each of the following shall be an "Event of Default" under this Master Indenture with respect to a Series of Bonds, in addition to any other "Event of Default" specified in a Supplemental Indenture with respect to a Series of Bonds:

- (a) if payment of any installment of interest on any Bond of such Series is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Bond of such Series is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or
- (c) if the Issuer, for any reason, is rendered incapable of fulfilling its obligations under this Master Indenture or under the Act or under the Supplemental Indenture relating to such Series of Bonds; or
- (d) if the Issuer proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the Issuer or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the Issuer and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or
- (e) if the Issuer defaults in any material respect in the due and punctual performance of any other covenant in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds or in any Bond of such Series issued pursuant to this Master Indenture and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been

given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds of such Series; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the Issuer shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) written notice shall have been received by the Trustee from a Credit Facility Issuer providing a Credit Facility securing Bonds of such Series that an event of default has occurred under the Credit Facility Agreement, or there shall have been a failure by said Credit Facility Issuer to make said Credit Facility available or to reinstate the interest component of said Credit Facility in accordance with the terms of said Credit Facility, to the extent said notice or failure is established as an event of default under the terms of the Credit Facility Agreement.

SECTION 9.02. No Acceleration. No Bonds of a Series issued under this Master Indenture shall be subject to acceleration by reason of an Event of Default.

SECTION 9.03. Legal Proceedings by Trustee. If any Event of Default with respect to the Bonds of a Series has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Majority Owners of the Outstanding Bonds of such Series and receipt of indemnity to its satisfaction shall, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Bonds of such Series, including, without limitation, the right to require the Issuer to carry out any agreements with, or for the benefit of, the Bondholders of the Bonds of such Series and to perform its or their duties under the Act;

(b) bring suit upon the Bonds of such Series;

(c) by action or suit in equity require the Issuer to account as if it were the trustee of an express trust for the Holders of the Bonds of such Series;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds of such Series; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing such Bonds of such Series.

SECTION 9.04. Discontinuance of Proceedings by Trustee. If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, the Issuer, the Trustee, the applicable Paying Agent and the Bondholders of the applicable Series of Bonds shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

SECTION 9.05. Bondholders May Direct Proceedings. The Majority Owners of the Outstanding Bonds of a Series then subject to remedial proceedings under this Article shall have the

right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee under this Master Indenture and the applicable Supplemental Indenture with respect to such Series of Bonds, provided that such directions shall not be in conflict with any rule of law or otherwise than in accordance with law or the provisions of this Master Indenture, including, but not limited to Article X hereof, and the related Supplemental Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of the Holders of such Series of Bonds not parties to such direction or would subject the Trustee to personal liability or expense. Notwithstanding the foregoing, the Trustee shall have the right to select and retain legal counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under this Section 9.05.

SECTION 9.06. Limitations on Actions by Bondholders. No Bondholder of the Bonds of a Series shall have any right to pursue any remedy hereunder or under the applicable Supplemental Indenture or applicable Series of Bonds unless (a) the Trustee shall have been given written notice of an Event of Default with respect to such Series of Bonds and such Event of Default is continuing, (b) the Majority Owners of the Outstanding Bonds of such Series shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (d) the Trustee shall have failed or declined to comply with such request within a reasonable time.

SECTION 9.07. Trustee May Enforce Rights Without Possession of Bonds. All rights under this Master Indenture, the related Supplemental Indenture authorizing the issuance of a Series of Bonds and such Series of Bonds may be enforced by the Trustee without the possession of any of the Bonds of such Series or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Holders of the applicable Series of Bonds.

SECTION 9.08. Remedies Not Exclusive. Except as limited under Section 14.01 of this Master Indenture, no remedy contained in this Master Indenture or applicable Supplemental Indenture is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 9.09. Delays and Omissions Not to Impair Rights. No delay or omission in respect of exercising any right or power accruing upon any Event of Default shall impair such right or power or be a waiver of such Event of Default, and every remedy given by this Article may be exercised from time to time and as often as may be deemed expedient.

SECTION 9.10. Application of Moneys in Event of Default. Any moneys then held or received by the Trustee or the Paying Agent, as the case may be, in connection with any proceedings brought under this Article with respect to a Series of Bonds, shall be applied in the following order of priority:

(a) subject to Section 8.25 hereof, to the payment of the costs of the Trustee and Paying Agent incurred in connection with actions taken under this Article with respect to such Series of

Bonds, including counsel fees and any disbursements of the Trustee and the Paying Agent and payment of unpaid fees owed to the Trustee and the Paying Agent allocable to such Series of Bonds.

(b) thereafter:

FIRST: to payment of all installments of interest then due on the Bonds of such Series in the order of maturity of such installments of interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any preference or priority of one installment of interest over any other installment; and

SECOND: to payment to the Persons entitled thereto of the unpaid principal or Redemption Price of any of the Bonds of such Series which shall have become due in the order of their due dates, with interest on said Bonds of such Series from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full the principal or Redemption Price coming due on said Bonds of such Series on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any preference or priority of one such Bond of such Series over another or of any installment of interest over another.

Any surplus remaining after the payments described above shall be paid to the Issuer or if a Responsible Officer of the Issuer so directs the Trustee in writing, to the Person lawfully entitled to receive the same or as a court of competent jurisdiction may direct the Trustee.

For purposes of the application of moneys described above, to the extent payments of principal of and interest on the Bonds of such Series shall have been made under a Credit Facility relating thereto, the Credit Facility Issuer shall be entitled to moneys in the related Series Accounts in the Debt Service Fund in accordance with the agreement pursuant to which such Credit Facility has been issued (but subject to subsection (a) hereof and Section 10.04 hereof) and the Certified Resolution of the Issuer authorizing the issuance of the Series of Bonds to which such Credit Facility relates.

SECTION 9.11. Trustee's Right to Receiver; Compliance with Act. Upon the occurrence of an Event of Default, the Trustee shall be entitled as of right to the appointment of a receiver and the Trustee, the Bondholders of the affected Series of Bonds and any receiver so appointed shall have such rights and powers and be subject to such limitations and restrictions as are contained in the Act and other applicable law of the State. . When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

SECTION 9.12. Trustee and Bondholders Entitled to all Remedies under Act. It is the purpose of this Article to provide such remedies to the Trustee and Bondholders as may be lawfully granted under the provisions of the Act and other applicable laws of the State; if any remedy herein granted shall be held unlawful, the Trustee and the Bondholders shall nevertheless be entitled to every other remedy provided by the Act and other applicable laws of the State. It is further intended

that, insofar as lawfully possible, the provisions of this Article shall apply to and be binding upon any receiver appointed in accordance with Section 9.11 hereof.

SECTION 9.13. Credit Facility Issuer's Rights Upon Events of Default. Anything in this Master Indenture to the contrary notwithstanding, if any Event of Default with respect to a Series of Bonds has occurred and is continuing while a Credit Facility securing all or a portion of such Series of Bonds Outstanding is in effect, the Credit Facility Issuer shall have the right, in lieu of the Owners of the Bonds of such Series (or portion thereof) secured by said Credit Facility, by an instrument in writing, executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under this Master Indenture and the related Supplemental Indenture, or exercising any trust or power conferred on the Trustee by this Master Indenture or related Supplemental Indenture. Said direction shall be controlling to the extent the direction of Owners of the Series of Bonds (or portion thereof) secured by said Credit Facility would have been controlling under this Article. If the Credit Facility Issuer shall be in default in the performance of its obligations under the Credit Facility, said Credit Facility Issuer shall have no rights under this Section.

SECTION 9.14. No Cross Default. The occurrence of an Event of Default hereunder or under any Supplemental Indenture with respect to any Series of Bonds shall not constitute an Event of Default with respect to any other Series of Bonds, unless the event giving rise to the Event of Default also constitutes an Event of Default hereunder or under the Supplemental Indenture with respect to such other Series of Bonds.

SECTION 9.15. Indemnification. Other than to make proper draws under a Credit Facility, the Trustee shall be under no obligation to institute any suit or to take any remedial proceeding under this Master Indenture or any Supplemental Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to advance its own money, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. Notwithstanding the foregoing, the indemnification provided by this Section 9.15 shall not be applicable in cases of the Trustee's gross negligence or willful misconduct.

## **ARTICLE X**

### **THE TRUSTEE; THE PAYING AGENT AND REGISTRAR**

SECTION 10.01. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the parties hereto and the Bondholders agree. The Trustee shall have only those duties expressly set forth herein and no duties shall be implied against the Trustee. The Trustee shall act as Trustee for the Bonds.

SECTION 10.02. No Responsibility for Recitals. The recitals, statements and representations in this Master Indenture, in any Supplemental Indenture or in the Bonds, save only the Trustee's Certificate, if any, upon the Bonds, have been made by the Issuer and not by the Trustee and the Trustee shall be under no responsibility for the correctness thereof.



SECTION 10.03. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of Counsel and other experts concerning all questions hereunder; the Trustee shall not be answerable for following such advice or for the default or misconduct of any attorney, agent or other expert selected and supervised by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Indenture or any Supplemental Indenture nor for anything whatever in connection with the trust hereunder, except only its own negligence or willful misconduct or material breach of its obligations hereunder.

SECTION 10.04. Compensation and Indemnity. The Issuer shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, and shall indemnify and, to the extent permitted by applicable law, hold the Trustee harmless against any liabilities which it may incur in the proper exercise and performance of its powers and duties hereunder or any Supplemental Indenture, except with respect to the Trustee's or its agents own willful misconduct, negligence or material breach of its obligations hereunder. The Trustee shall have no duty in connection with its responsibilities hereunder to advance its own funds nor shall the Trustee have any duty to take any action hereunder without first having received indemnification satisfactory to it in accordance herewith. If the Issuer defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys held by it or coming into its hands or held by it but exclusive of the Rebate Fund and moneys from a drawing on any Credit Facility and shall deliver a periodic written statement of any such deductions to the Issuer (but not less frequently than semi-annually). This provision shall survive the termination of this Master Indenture and any Supplemental Indenture and, as to any Trustee, its removal or resignation as Trustee.

As security for the foregoing, the Issuer hereby grants to the Trustee a security interest in and to the amounts of deposit in all Series Accounts (other than any Series Rebate Account) thereby, in effect, granting the Trustee a first charge against these moneys following an Event of Default for its fees and expenses (including legal counsel and default administration costs and expenses), subordinate and inferior to the security interest granted to the Owners of the Bonds from time to time secured thereby, but nevertheless payable in the order of priority as set forth in Section 9.10(a) upon the occurrence of an Event of Default.

SECTION 10.05. No Duty to Renew Insurance. The Trustee shall not be under any duty to effect or to renew any insurance policy nor shall it incur any liability for the failure of the Issuer to require or effect or renew insurance or to report or file claims of loss thereunder.

SECTION 10.06. Notice of Default; Right to Investigate. The Trustee shall give written notice by first-class mail to registered Holders of the Bonds of the affected Series of all defaults of which the Trustee has actual knowledge, unless such defaults have been remedied (the term "defaults" for purposes of this Section and Section 10.07 being defined to include the events specified as "Events of Default" in Article X hereof, but not including any notice or periods of grace provided for therein); provided that, except in the case of a default in payment of principal or interest or Redemption Price, the Trustee may withhold such notice so long as it in good faith determines that such withholding is in the interest of the Bondholders of such Series. The Trustee shall not be deemed to have notice or to know of any default other than a payment default under this Master Indenture or a notification by a Credit Facility Issuer of a default under its Credit Facility, unless

notified in writing of such default by the Majority Owners of the Outstanding Bonds of the affected Series. The Trustee may, however, at any time require of the Issuer full information as to the performance of any covenant hereunder, and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the Issuer, an investigation into the affairs of the Issuer.

SECTION 10.07. Obligation to Act on Defaults. The Trustee shall be under no obligation to take any action in respect of any default or otherwise (a) unless it is requested in writing to do so by the Majority Owners of the Outstanding Series of Bonds which are or would be, upon the taking of such action, subject to remedial proceedings under Article IX of this Master Indenture, and (b) if in its opinion such action may tend to involve expense or liability, unless it is also furnished with indemnity satisfactory to it.

SECTION 10.08. Reliance by Trustee. The Trustee may act on any opinion or advice of professionals, requisition, resolution, notice, telegram, facsimile transmission, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document which it in good faith believes to be genuine and to have been passed, signed or given by the persons purporting to be authorized (which in the case of the Issuer shall be a Responsible Officer) or to have been prepared and furnished pursuant to any of the provisions of this Master Indenture or any Supplemental Indenture; the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement. The Trustee shall have no liability for acting upon the direction of the Majority Owners upon an Event of Default.

SECTION 10.09. Trustee May Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholders may be entitled to take with like effect as if the Trustee were not a party to this Master Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the Issuer; provided, however, that if the Trustee determines that any such relation is in conflict with its duties under this Master Indenture or any Supplemental Indenture, it shall eliminate the conflict or resign as Trustee.

SECTION 10.10. Construction of Ambiguous Provisions. The Trustee may construe any ambiguous or inconsistent provisions of this Master Indenture or any Supplemental Indenture, and except as otherwise provided in Article XII of this Master Indenture, any construction by the Trustee shall be binding upon the Bondholders. The Trustee shall give prompt notice to the Issuer of any intention to make such construction.

SECTION 10.11. Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Master Indenture by written resignation filed with the Secretary of the Board of the Issuer not less than sixty (60) days before the date when such resignation is to take effect; provided, however, that notice of such resignation shall be sent by first-class mail to each Bondholder as its name and address appears on the Bond Register and to any Paying Agent, Registrar, Authenticating Agent and Credit Facility Issuer, if any, at least sixty (60) days before the resignation is to take effect. Such resignation shall take effect on the day specified in the Trustee's notice of resignation unless a successor Trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor; provided, however, that notwithstanding the foregoing, such resignation shall not take effect until a successor Trustee

has been appointed. If a successor Trustee has not been appointed within ninety (90) days after the Trustee has given its notice of resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a temporary successor Trustee to serve as Trustee until a successor Trustee has been duly appointed. Notice of such resignation shall also be given to any rating agency that shall then have in effect a rating on any of the Bonds.

SECTION 10.12. Removal of Trustee. The Trustee may be removed at any time by either (a) the Issuer, if no Event of Default exists and is continuing under this Master Indenture, or (b) an instrument or concurrent instruments in writing, executed by the Majority Owners of the Bonds of all Series then Outstanding and filed with the Issuer. A copy of any instrument or instruments filed with the Issuer under the provisions of this paragraph, duly certified by a Responsible Officer, shall be delivered promptly by the Issuer to the Trustee and to any Paying Agent, Registrar, Authenticating Agent and Credit Facility Issuer, if any. No such removal shall be effective until any amounts owed to the Trustee hereunder have been paid in full.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Master Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Issuer, if no Event of Default exists and is continuing or the Holders of not less than twenty percent (20%) of the aggregate principal amount of the Bonds then Outstanding.

SECTION 10.13. Appointment of Successor Trustee. If the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the Issuer shall appoint a successor and shall mail notice of such appointment by first-class mail to each Bondholder as its name and address appear on the Bond Register, and to the Paying Agent, Registrar, Authenticating Agent, Credit Facility Issuer, if any, and any rating agency that shall then have in effect a rating on any of the Bonds. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation or removal as the date when such resignation or removal was to take effect, the Majority Owners of all Bonds of all Series then Outstanding may appoint a successor Trustee. If an Event of Default has occurred hereunder and is continuing and the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and a successor may be appointed by any court of competent jurisdiction upon the application of the Owners of not less than twenty percent (20%) in aggregate principal amount of the Bonds then Outstanding and such successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address appears on the Bond Register, and to the Paying Agent, Registrar, any Credit Facility Issuer and any rating agency that shall then have in effect a rating on any of the Bonds.

SECTION 10.14. Qualification of Successor Trustee. A successor Trustee shall be a national bank with trust powers or a bank or trust company with trust powers, having a combined net capital and surplus of at least \$50,000,000.

SECTION 10.15. Instruments of Succession. Except as provided in Section 10.16 hereof, any successor Trustee shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder and thereupon, such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein. The Trustee ceasing to act hereunder, after deducting all amounts owed to the Trustee, shall pay over to the successor Trustee all moneys held by it hereunder and, upon request of the successor Trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument or instruments prepared by the Issuer transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the predecessor Trustee, except for its rights under Section 10.04 hereof. The successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address appears on the Bond Register, and to the Paying Agent, Registrar, any Credit Facility Issuer and any rating agency that shall then have in effect a rating on any of the Bonds.

SECTION 10.16. Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated or into which all or substantially all of its corporate trust assets shall be sold or its operations conveyed, or any corporation resulting from any merger or consolidation, to which any Trustee hereunder shall be a party, shall be the successor Trustee under this Master Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 10.14 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article.

SECTION 10.17. Extension of Rights and Duties of Trustee to Paying Agent and Registrar. The provisions of Sections 10.02, 10.03, 10.04, 10.08, 10.09, 10.10 and 10.16 hereof are hereby made applicable to each Paying Agent and the Registrar, as appropriate, and any Person serving as Paying Agent and/or Registrar, hereby enters into and agrees to comply with the covenants and agreements of this Master Indenture and any Supplemental Indenture applicable to such Paying Agent and Registrar, respectively.

SECTION 10.18. Resignation of Paying Agent or Registrar. Any Paying Agent or Registrar may resign and be discharged of the duties created by this Master Indenture and any Supplemental Indenture by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the Issuer, the Trustee, and any rating agency that shall then have in effect a rating on any of the Bonds of the Series for which it is acting as Paying Agent or Registrar, not less than forty-five (45) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation not less than three (3) weeks prior to such resignation date to the Bondholders of the applicable Series of Bonds, mailed to their addresses as such appear in the Bond Register. Such resignation shall take effect on the date specified in such instrument and notice, but only if a successor Paying Agent or Registrar shall have been appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Registrar. If the successor Paying Agent or Registrar shall not have been appointed within a period of ninety (90) days following the giving of notice, then the Paying Agent or Registrar shall

be authorized to petition any court of competent jurisdiction to appoint a successor Paying Agent or Registrar as provided in Section 10.22 hereof.

SECTION 10.19. Removal of Paying Agent or Registrar. Any Paying Agent or Registrar for a Series of Bonds may be removed at any time prior to any Event of Default by the Issuer with respect to that Series of Bonds by filing with the Paying Agent or Registrar to be removed, and with the Trustee, an instrument or instruments in writing executed by the Issuer appointing a successor, or an instrument or instruments in writing designating, and accompanied by an instrument or appointment by the Issuer of, such successor. Such removal shall be effective thirty (30) days (or such longer period as may be set forth in such instrument) after delivery of the instrument; provided, however, that no such removal shall be effective until the successor Paying Agent or Registrar appointed hereunder shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder.

SECTION 10.20. Appointment of Successor Paying Agent or Registrar. In case at any time any Paying Agent or Registrar for a Series of Bonds shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Paying Agent or Registrar, as the case may be, and a successor shall be appointed by the Issuer; and in case at any time the Paying Agent or Registrar shall resign, then a successor shall be appointed by the Issuer. After any such appointment, written notice of such appointment shall be given by the Issuer to the predecessor Paying Agent or Registrar, the successor Paying Agent or Registrar, the Trustee, any rating agency that shall then have in effect a rating on any of the Bonds of the affected Series, and all Bondholders of such Series. Any new Paying Agent or Registrar so appointed shall immediately, and without further act, supersede the predecessor Paying Agent or Registrar.

SECTION 10.21. Qualifications of Successor Paying Agent or Registrar. Every successor Paying Agent or Registrar (a) shall be a commercial bank or trust company (i) duly organized under the laws of the United States or any state or territory thereof, (ii) authorized by law to perform all the duties imposed upon it by this Master Indenture and any Supplemental Indenture and (iii) capable of meeting its obligations hereunder and thereunder, and (b) shall have a combined net capital and surplus of at least \$50,000,000.

SECTION 10.22. Judicial Appointment of Successor Paying Agent or Registrar. In case at any time any Paying Agent or Registrar shall resign and no appointment of a successor Paying Agent or Registrar shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the retiring Paying Agent or Registrar may forthwith apply to a court of competent jurisdiction for the appointment of a successor Paying Agent or Registrar. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Paying Agent or Registrar. Notice of such appointment shall be given by the successor Registrar or Paying Agent to the Issuer, the Trustee, any rating agency that shall then have in effect a rating on any of the Series of Bonds affected, and all Bondholders of such Series. In the absence of such an appointment, the Trustee shall become the Registrar or Paying Agent for such Series of Bonds, and shall so notify the Issuer, any rating agency that shall have issued a rating on the Bonds on such Series, and all Bondholders of such Series.

SECTION 10.23. Acceptance of Duties by Successor Paying Agent or Registrar. Any successor Paying Agent or Registrar for a Series of Bonds shall, subject to Section 10.24 hereof, become duly vested with all the estates, property, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named Paying Agent or Registrar herein. Except as provided in Section 10.24 hereof, upon request of such Paying Agent or Registrar, such predecessor Paying Agent or Registrar and the Issuer shall execute and deliver an instrument transferring to such successor Paying Agent or Registrar all the estates, property, rights and powers hereunder of such predecessor Paying Agent or Registrar and such predecessor Paying Agent or Registrar shall pay over and deliver to the successor Paying Agent or Registrar all moneys and other assets at the time held by it hereunder.

SECTION 10.24. Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Registrar hereunder may be merged or converted or with which it may be consolidated or into which all or substantially all of its corporate trust assets shall be sold or its operations conveyed, or any corporation resulting from any merger or consolidation to which any Paying Agent or Registrar hereunder shall be a party, shall be the successor Paying Agent or Registrar under this Master Indenture without the execution or filing of any paper or any further act on the part of the parties thereto, anything in this Master Indenture or any Supplemental Indenture to the contrary notwithstanding.

SECTION 10.25. USA PATRIOT Act Requirements of Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

SECTION 10.26. Brokerage Requirements. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer the right to receive individual confirmations of security transactions at no additional cost, as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

## **ARTICLE XI**

### **ACTS OF BONDHOLDERS; EVIDENCE OF OWNERSHIP OF BONDS**

SECTION 11.01. Acts of Bondholders; Evidence of Ownership of Bonds. Any action to be taken by Bondholders may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Bondholders in person or by an agent appointed in writing. The fact and date of the execution by any person of any such instrument may be provided by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Any action by the Owner of any Bond shall bind all future Owners of the same Bond in respect of anything done or suffered by the Issuer, Trustee, Paying Agent or Registrar in pursuance thereof. So long as Bonds are registered in the name of the Cede & Co., as the nominee of DTC, the Trustee may recognize actions taken by Beneficial Owners

of such Bonds as if such actions were taken by Bondholders of a related portion of the Bonds when such actions are received in compliance with an omnibus proxy of DTC or otherwise pursuant to the rules of the DTC or when other proof of beneficial ownership and indemnification satisfactory to the Trustee are delivered to the Trustee by Beneficial Owners.

Nothing contained in this Article XI shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient.

SECTION 11.02. Deposit of Bonds. Notwithstanding the foregoing, neither the Issuer nor the Trustee shall be required to recognize any person as an Owner of any Bond or to take any action at his request unless such Bond shall be deposited with the Trustee, including as agent for DTC.

## **ARTICLE XII AMENDMENTS AND SUPPLEMENTS**

SECTION 12.01. Amendments and Supplements Without Bondholders' Consent. This Master Indenture may be amended or supplemented, from time to time, without the consent of the Bondholders, by a Supplemental Indenture authorized by a Certified Resolution of the Issuer filed with the Trustee, which shall not be inconsistent with the terms and provisions hereof, for one or more of the following purposes:

(a) to add additional covenants of the Issuer or to surrender any right or power herein conferred upon the Issuer;

(b) for any purpose not inconsistent with the terms of this Master Indenture, or to cure any ambiguity or to cure, correct or supplement any defective provision (whether because of any inconsistency with any other provision hereof or otherwise) of this Master Indenture, in such manner as shall not impair the security hereof or thereof or adversely affect the rights and remedies of the Bondholders;

(c) to provide for the execution of any and all contracts and other documents as may be required in order to effectuate the conveyance of any Series Project or Additional Series Project to the United States of America, the State, the County, any municipality or any department, agency or branch of any thereof, or any other unit of government of the United States of America, the State or the County or any municipality; provided, however, that the Issuer shall have caused to be delivered to the Trustee an opinion of Bond Counsel stating that such conveyance shall not impair the security hereof or adversely affect the rights and remedies of the Bondholders of the Series of Bonds that financed or refinanced such Series Project or Additional Series Project; and

(d) to make such changes as may be necessary in order to reflect amendments to the Act or Chapter 197, Florida Statutes, so long as, in the opinion of counsel to the Issuer, such changes either: (i) do not have an adverse effect on the Holders of the Bonds; or (ii) if such changes do have an adverse effect, that they nevertheless are required to be made as a result of such amendments; and

(e) to provide for, and set forth any or all of the matters in connection with, the issuance of a Series of Bonds or bond anticipation notes in accordance with the provisions hereof, provided

that the issuance of Additional Bonds satisfy the requirements of any Supplemental Indenture relating to the original Series of Bonds to which such Additional Bonds relate.

**SECTION 12.02. Amendments With Bondholders' Consent.**

(a) Subject to the provisions of Section 12.03 hereof, this Master Indenture may be amended from time to time by a Supplemental Indenture approved by the Majority Owners of the Bonds then Outstanding; provided that the provisions regarding: (i) the interest payable upon any Bonds, (ii) the dates of maturity or redemption provisions of any Bonds, (iii) this Article XII and (iv) the security provisions hereunder, may only be amended by approval of the Owners of all Bonds to be so amended.

(b) In addition to the foregoing, the Majority Owners of the Bonds of a Series then Outstanding shall have the right, from time to time, anything contained in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental to the Supplemental Indenture relating to such Series of Bonds or amendatory thereof, but not hereof, as shall be deemed desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of such Supplemental Indenture or of any supplemental indenture; provided, however, that the provisions regarding: (i) the interest payable upon any Bonds of such Series, (ii) the dates of maturity or redemption provisions of any Bonds of such Series, (iii) this Section 12.02(b), and (iii) the security provisions of this Master Indenture and the Supplemental Indenture applicable to the Bonds of such Series, may only be amended by approval of the Owners of all Bonds of such Series to be so amended.

**SECTION 12.03. Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel.** The Trustee is authorized to join in the execution and delivery of any Supplemental Indenture or amendment permitted by this Article and in so doing may request and is entitled to receive and rely on a written opinion of Counsel that such Supplemental Indenture or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done, and that, if such amendment is with respect to a Series of Tax-Exempt Bonds, such amendment will not result in the interest on such Tax-Exempt Bonds being no longer excludable from gross income for federal income tax purposes; provided, however, the Trustee is not required to join in any amendments which the Trustee reasonably believes is adverse to its interests.

**SECTION 12.04. Credit Facility Issuer as Owner.** As long as a Credit Facility securing all or a portion of the Bonds of a Series Outstanding is in effect and the Credit Facility Issuer is not in default thereunder, the Credit Facility Issuer, to the extent so authorized in the applicable Supplemental Indenture, will be deemed to be the Owner of the Bonds of such Series secured by the Credit Facility: (i) at all times for the purpose of the execution and delivery of a Supplemental Indenture or of any amendment, change or modification of the Indenture or the applicable Supplemental Indenture or the initiation by Owners of any action to be undertaken by the Trustee at the Owner's request, which under the Master Indenture or the applicable Supplemental Indenture requires the written approval or consent of or can be initiated by the Majority Owners of the Bonds of the Series at the time Outstanding; (ii) at all times for the purpose of the mailing of any notice to Owners under the Master Indenture or the applicable Supplemental Indenture; and (iii) following an Event of Default for all other purposes, subject to the provisions of Section 9.13 hereof.



Notwithstanding the foregoing, a Credit Facility Issuer with respect to a Series of Bonds will not be deemed to be an Owner of the Bonds of such Series with respect to any such Supplemental Indenture or of any amendment, change or modification of the Master Indenture which would have the effect of permitting: (i) a change in the terms of redemption or maturity of any Bonds of a Series Outstanding or of any installment of interest thereon; or (ii) a reduction in the principal amount or the Redemption Price thereof or in rate of interest thereon; or (iii) reducing the percentage or otherwise affecting the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment; or (iv) creating any preference or priority of any Bond of a Series over any other Bond of such Series.

## **ARTICLE XIII DEFEASANCE**

### **SECTION 13.01.   Defeasance.**

(a) If the Issuer pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon and the obligations under any Credit Facility at the times and in the manner stipulated therein and in this Master Indenture and any Credit Facility and pays or causes to be paid all other moneys owing hereunder and under any Supplemental Indenture, including any amounts then owing to the Trustee, then the lien of this Master Indenture and all covenants, agreements and other obligations of the Issuer to the Owners and any Credit Facility Issuer shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee upon the request of the Issuer shall execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee and the Paying Agent shall pay over or deliver, as directed by the Issuer, all moneys or securities held by them pursuant to this Master Indenture which are not required for the payment of principal, interest or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption or for payment of obligations under any Credit Facility. If the Issuer pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Outstanding Bonds or of a particular maturity, of a particular Series or of any part of a particular maturity or Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Master Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Master Indenture, and all covenants, agreements and obligations of the Issuer to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. Anything to the contrary in this Section 13.01 notwithstanding, this Master Indenture shall not be discharged nor shall any Bonds with respect to which moneys or Defeasance Securities have been deposited in accordance with the provisions of this Section 13.01 cease to be entitled to the lien, benefit or security under this Master Indenture, except to the extent that the lien, benefit and security of this Master Indenture and the obligations of the Issuer hereunder shall be limited solely to and such Bonds shall be secured solely by and be payable solely from the moneys or Defeasance Securities so deposited.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held by the Trustee (through deposit pursuant to this Master Indenture of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in this Section. All Outstanding Bonds of any particular maturity or Series shall prior to the maturity or

redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 13.01 if: (i) in case any of such Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Trustee or each applicable Bond Registrar irrevocable instructions accepted in writing by the Trustee or each such Bond Registrar to mail as provided in Article VII notice of redemption of such Bonds on such date; (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities, the principal of and the interest on which when due shall, as demonstrated in a certificate of a Certified Public Accountant, provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be; (iii) the Issuer shall have given the Trustee or each applicable Bond Registrar in form satisfactory to it irrevocable written instructions to mail, postage prepaid, to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registry books of the Issuer, a notice to the registered Owners of such Bonds and to each applicable Registrar that the deposit required by (ii) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section 13.01 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, on such Bonds; and, (iv) there shall have been delivered to the Trustee, at the expense of the Issuer, an opinion of Bond Counsel to the effect that such defeasance is permitted under this Master Indenture and the Supplemental Indenture relating to the Series of Bonds so defeased and that, in the case of Tax-Exempt Bonds, such defeasance will not adversely affect the tax exempt status of such Series of Bonds. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section 13.01 nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held for, the payment of the principal or Redemption Price, if applicable, and interest on such Bonds; provided that any cash received from such principal or interest payments on such Defeasance Securities deposited with the Trustee: (i) to the extent such cash shall not be required at any time for such purpose as evidenced by a certificate of a Certified Public Accountant or, and to the extent all obligations under any Credit Facility are satisfied, as determined by an Insurer or any Credit Facility Issuer providing a Credit Facility securing the Bonds with respect to which such Defeasance Securities have been so deposited, shall be paid over upon the written direction of the Issuer as received by the Trustee, free and clear of any lien, pledge or assignment securing such Bonds or otherwise existing under this Master Indenture; and (ii) to the extent such cash shall be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on such Bonds, or obligations under any Credit Facility, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over as received by the Trustee to the Issuer, free and clear of any lien, pledge or security interest securing such Bonds or otherwise existing under this Master Indenture. For the purposes of this provision, Defeasance Securities means and includes only such securities which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof.

(c) As to any Variable Rate Bonds, whether discharged and satisfied under the provisions of subsection (a) or (b) above, the amount required for the interest thereon shall be calculated at the maximum rate permitted by the terms of the provisions which authorized the issuance of such Variable Rate Bonds; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such maximum rate for any period, the total amount of moneys and

Investment Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to fully discharge and satisfy such Bonds and obligations under any Credit Facility pursuant to the provisions of this Section, the Issuer may use the amount of such excess free and clear of any lien, security interest, pledge or assignment securing said Variable Rate Bonds or otherwise existing under this Master Indenture or under any Credit Facility.

(d) Notwithstanding any of the provisions of this Master Indenture to the contrary, Option Bonds may only be fully discharged and satisfied either pursuant to subsection (a) above or by depositing in the Series Interest Account, the Series Principal Account and the Series Redemption Account, or in such other accounts which are irrevocably pledged to the payment of the Option Bonds, as the Issuer may create and establish by Supplemental Indenture, moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the maximum amount of principal of and Redemption Price, if any, and interest on such Option Bonds which could become payable to the Owners of such Bonds upon the exercise of any options provided to the Owners of such Bonds; provided however, that if, at the time a deposit is made pursuant to this subsection (d), the options originally exercisable by the Owner of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this subsection (d). If any portion of the moneys deposited for the payment of the principal of and Redemption Price, if any, and interest on Option Bonds is not required for such purpose and is not needed to reimburse any Credit Facility Issuer for obligations under any Credit Facility, the Issuer may use the amount of such excess free and clear of any lien, security interest, pledge or assignment securing such Option Bonds or otherwise existing under this Master Indenture or any Credit Facility.

(e) Anything in this Master Indenture to the contrary notwithstanding, any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Series of the Bonds which remain unclaimed for two (2) years (or such later date required by applicable law) after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years (or such later date required by applicable law) after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bonds became due and payable, shall, at the written request of the Issuer be repaid by the Trustee or Paying Agent to the Issuer as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Issuer for the payment of such Bonds; provided, however, that before being required to make any such payment to the Issuer, the Trustee or Paying Agent shall, at the expense of the Issuer, cause to be mailed, postage prepaid, to any Credit Facility Issuer, and to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registry books of the Issuer, a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than thirty (30) days after the date of the mailing of such notice, the balance of such moneys then unclaimed shall be returned to the Issuer.

(f) In the event that the principal and Redemption Price, if applicable, and interest due on the Bonds shall be paid by a Credit Facility Issuer pursuant to a municipal bond insurance policy, the assignment and pledge and all covenants, agreements and other obligations of the Issuer to the Owners of such Bonds shall continue to exist and the Credit Facility Issuer shall be subrogated to the rights of such Owners.

(g) Anything in this Master Indenture to the contrary notwithstanding, the provisions of the foregoing subsections (b) through (f) shall apply to the discharge of Bonds of a Series and to the discharge of the lien of any Supplemental Indenture securing such Series of Bonds as though each reference to the "Master Indenture" were a reference to such "Supplemental Indenture" and as though each reference to "Bonds Outstanding" were a reference to the "Bonds of such Series Outstanding."

SECTION 13.02. Moneys Held. All moneys and obligations held by an escrow or paying agent or trustee pursuant to this Section shall be held in trust, and the principal and interest of said obligations when received, shall be applied to the payment, when due, of the principal, interest and premium, if any, of the Bonds to be paid or to be called for redemption.

## **ARTICLE XIV MISCELLANEOUS PROVISIONS**

SECTION 14.01. Limitations on Recourse. No personal recourse shall be had for any claim based on this Master Indenture or any Supplemental Indenture or the Bonds against any member of the Board of the Issuer, officer, employee or agent, past, present or future, of the Issuer or of any successor body as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

The Bonds of each Series are payable solely from the Pledged Funds and Pledged Revenues pledged thereto by this Master Indenture and the related Supplemental Indenture, and any other moneys held by the Trustee under this Master Indenture or any Supplemental Indenture for such purpose. There shall be no other recourse under the Bonds of a Series, this Master Indenture, any Supplemental Indenture or otherwise, against the Issuer or any other property now or hereafter owned by it.

SECTION 14.02. Payment Dates. In any case where an Interest Payment Date or the maturity date of the Bonds or the date fixed for the redemption of any Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 14.03. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Bonds.

SECTION 14.04. Illegal Provisions Disregarded. If any term of this Master Indenture, any Supplemental Indenture or the Bonds or the application thereof for any reason or circumstances shall to any extent be held invalid or unenforceable, the remaining provisions or the application of such terms or provisions to Persons and situations other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof and thereof shall be valid and enforced to the fullest extent permitted by law.

SECTION 14.05. Substitute Notice. If for any reason it shall be impossible to make publication of any notice required hereby in a newspaper or newspapers, then such publication in

lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

SECTION 14.06. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Master Indenture to be given to or filed with the Issuer or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Master Indenture if and when personally delivered and receipted for, or sent by certified United States mail, return receipt requested, addressed as follows:

(a) As to the Issuer:

North Springs Improvement District  
District Offices  
9700 NW 52nd Street  
Coral Springs, Florida 33071  
Attention: District Manager

(b) As to the Trustee:

U.S. Bank National Association  
Global Corporate Trust Services  
500 W. Cypress Creek Road, Suite 460  
Fort Lauderdale, Florida 33309  
Attention: Corporate Trust Department

Any of the foregoing may, by notice sent to each of the others, designate a different or additional address to which notices under this Master Indenture are to be sent.

All documents received by the Trustee under the provisions of this Master Indenture and not required to be redelivered shall be retained in its possession, subject at all reasonable times to the inspection of the Issuer, any Consultant, any Bondholder and the agents and representatives thereof as evidenced in writing. Notices to Bondholders shall be sufficient if sent by first-class mail, postage prepaid, to the Holders at their addresses as they appear at the time of mailing on the registration books maintained by the Registrar.

SECTION 14.07. Controlling Law. This Master Indenture shall be governed by and construed in accordance with the laws of the State.

SECTION 14.08. Successors and Assigns. All the covenants, promises and agreements in this Master Indenture contained by or on behalf of the Issuer or by or on behalf of the Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 14.09. Headings for Convenience Only. The table of contents and descriptive headings in this Master Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 14.10. Counterparts. This Master Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 14.11. Appendices and Exhibits. Any and all appendices or exhibits referred to in and attached to this Master Indenture are hereby incorporated herein and made a part hereof for all purposes.

IN WITNESS WHEREOF, North Springs Improvement District has caused this Master Indenture to be executed by the President of its Board and its corporate seal to be hereunto affixed, attested by the Secretary of its Board and U.S. Bank Trust Company, National Association has caused this Master Indenture to be executed by one of its Vice Presidents, all as of the day and year first above written.

**NORTH SPRINGS IMPROVEMENT  
DISTRICT**

[SEAL]

By: \_\_\_\_\_  
President, Board of Supervisors

Attest:

\_\_\_\_\_  
Secretary, Board of Supervisors

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION,**  
as Trustee, Paying Agent and Registrar

By: \_\_\_\_\_  
Vice President

**EXHIBIT A**  
**FORM OF BOND**

R-[\_\_\_\_\_]

\$[\_\_\_\_\_]

**UNITED STATES OF AMERICA**  
**STATE OF FLORIDA**  
**NORTH SPRINGS IMPROVEMENT DISTRICT**  
**(BROWARD COUNTY, FLORIDA)**  
**SPECIAL ASSESSMENT BOND,**  
**SERIES 20[\_\_\_]**  
**(PARKLAND ROYALE II ASSESSMENT AREA)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
[_____]%	[_____] 1, [____]	[_____] 1, 20[___]	[_____]

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that North Springs Improvement District (the "Issuer"), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, upon presentation and surrender hereof at the corporate trust office of U.S. Bank Trust Company, National Association, in Fort Lauderdale, Florida, as paying agent (said U.S. Bank Trust Company, National Association and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent"), the principal sum of [\_\_\_\_\_] DOLLARS (\$[\_\_\_\_\_] with interest thereon at the rate of [\_\_\_\_\_] percent [(\_\_\_\_\_)%] per annum, payable on the first day of [\_\_\_\_\_] and [\_\_\_\_\_] of each year, commencing [\_\_\_\_\_] 1, 20[\_\_\_]; provided, however, no presentation and surrender is required while this Bond is held in book-entry only form. Principal of this Bond is payable at the corporate trust office of U.S. Bank Trust Company, National Association, located in Fort Lauderdale, Florida, in lawful money of the United States of America. Interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank Trust Company, National Association, as Registrar (said U.S. Bank Trust Company, National Association and any successor Registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each interest payment date or the date on which the principal of a Bond is to be paid (the "Record Date"). Such interest shall be payable from the most recent interest payment date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a [\_\_\_\_\_] 1 or [\_\_\_\_\_] 1 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to [\_\_\_\_\_] 1, 20[\_\_\_], in which case from [\_\_\_\_\_] 1, 20[\_\_\_], or unless the date of authentication



hereof is between a Record Date and the next succeeding interest payment date, in which case from such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice whereof shall be given to Bondholders of record as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in the Indenture (defined below).

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, BROWARD COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SPECIAL ASSESSMENTS (AS DEFINED IN THE INDENTURE) TO SECURE AND PAY THE BONDS. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, BROWARD COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond is one of an authorized issue of Bonds of North Springs Improvement District, a public corporation and independent special district duly created, organized and existing under Chapter 2005-341, Laws of Florida, as amended and supplemented, designated as "North Springs Improvement District (Broward County, Florida) Special Assessment [Refunding] Bonds, Series 20[ ] (Parkland Royale II Assessment Area)" in the aggregate principal amount of [ ] Dollars (\$[ ]) (the "Bonds") of like date, tenor and effect, except as to number. The Bonds are being issued under authority of Chapter 2005-341, Laws of Florida, as amended and supplemented, Chapter 298, Florida Statutes, as amended, any successor laws or statutes thereto, the Florida Constitution and other applicable law (collectively, the "Act") to pay the Costs of the Series [ ] Project consisting of certain Assessable Improvements (as defined in the hereinafter mentioned Indenture) (the "Project"), make deposits to certain Funds and Accounts created under the Indenture and pay costs of issuing the Bonds. The Bonds shall be issued as fully registered Bonds in authorized denominations, as set forth in the Indenture. The Bonds are issued under and secured by a Master Trust Indenture dated as of [ ] 1, 2026, as supplemented by a [ ] Supplemental Indenture dated as of [ ] 1, 20[ ] (collectively, the "Indenture"), each entered into by and between the Issuer and the Trustee, executed counterparts of which are on file at the corporate trust office of the Trustee in Fort Lauderdale, Florida.

Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds issued under the Indenture, the operation and application of the Series 20[ ] Debt Service Account and other Accounts and Subaccounts (each as defined in the Indenture) charged with and pledged to the payment of the principal of, premium, if any, and the interest on the Bonds, the levy and the evidencing and certifying for collection, of Series 20[ ] Special Assessments, the nature and extent of the security for the

Bonds, the terms and conditions on which the Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Indenture, the conditions under which such Indenture may be amended without the consent of the registered owners of Bonds, the conditions under which such Indenture may be amended with the consent of the registered owners of a majority in aggregate principal amount of the Bonds outstanding, and as to other rights and remedies of the registered owners of the Bonds.

The registered owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

It is expressly agreed by the registered owner of this Bond that such registered owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, Broward County, Florida, the State of Florida or any political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, Broward County, Florida, the State of Florida or any political subdivision thereof, for the payment of the principal of, premium, if any, and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for Series 20[ ] Special Assessments to be assessed and levied by the Issuer with respect to the Bonds as set forth in the Indenture.

By the acceptance of this Bond, the registered owner hereof assents to all the provisions of the Indenture.

This Bond is payable from and secured by the Series 20[ ] Pledged Revenues, as such term is defined in the Indenture, all in the manner provided in the Indenture. The Indenture provides for the levy and the evidencing and certifying, of non ad valorem assessments in the form of Series 20[ ] Special Assessments to secure and pay the Bonds. [Describe any additional Pledged Revenues]

The Bonds are subject to redemption prior to maturity. [Insert redemption provisions]

Notice of Redemption and of Purchase. When required to redeem or purchase Bonds under any provision of this Indenture or directed to do so by the Issuer, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses [and also to any Credit Facility Issuer], but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Bonds for which notice was duly mailed in accordance with the Indenture. Such notice shall be given in the name of the Issuer, shall be dated, shall set forth the Bonds Outstanding which shall be called for redemption or purchase and shall include, certain additional information required by the Indenture.

Partial Redemption of Bonds. If less than all the Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of Bonds to be redeemed by lot in such reasonable manner as the Trustee in its discretion may determine.

The Issuer shall keep books for the registration of the Bonds at the corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in the Indenture, the Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Issuer shall execute and the Trustee or such other authenticating agent as may be appointed by the Trustee under the Indenture shall authenticate and deliver a new Bond or Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. There shall be no charge for any such exchange or transfer of Bonds, but the Issuer may require payment of a sum sufficient to pay any tax, fee or other governmental charge imposed. Neither the Issuer nor the Registrar shall be required (a) to transfer or exchange Bonds for a period of 15 days next preceding any selection of Bonds to be redeemed or thereafter until after the mailing of any notice of redemption; or (b) to transfer or exchange any Bond called for redemption in whole or in part.

The Issuer, the Trustee, the Paying Agent and the Registrar may deem and treat the person in whose name any Bond shall be registered upon the books kept by the Registrar as the absolute owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuer, the Trustee, the Paying Agent or the Registrar) for the purpose of receiving payment of or on account of the principal of, premium, if any, and interest on such Bond as the same becomes due, and for all other purposes. All such payments so made to any such registered 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, and neither the Issuer, the Trustee, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by execution of the Trustee, or such other authenticating agent as may be appointed by the Trustee under the Indenture, of the certificate of authentication endorsed hereon.

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 Bond exist, have happened and have been performed in regular and due form and time as required by the Act, and that the issuance of this Bond, and of the issue of the Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

IN WITNESS WHEREOF, North Springs Improvement District has caused this Bond to be signed by the signature of the President of its Board of Supervisors and its seal to be imprinted hereon, and attested by the signature of the Secretary or an Assistant Secretary of its Board of Supervisors, all as of the date hereof.

**NORTH SPRINGS IMPROVEMENT  
DISTRICT**

By: \_\_\_\_\_,  
President, Board of Supervisors

(SEAL)

Attest:

By: \_\_\_\_\_  
Secretary, Board of Supervisors

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Special Assessment [Refunding] Bonds, Series 20[ ] (Parkland Royale II Assessment Area) delivered pursuant to the within mentioned Indenture.

Date of Authentication: [ ], 20[ ]

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION, as Trustee**

By: \_\_\_\_\_  
Vice President

### **STATEMENT OF VALIDATION**

This Bond is one of an issue of Bonds which were validated by judgment of the Circuit Court of the 17<sup>th</sup> Judicial Circuit of Florida, in and for Broward County, Florida, rendered on the [\_\_\_\_] day of [\_\_\_\_], 2026.

ATTEST:

\_\_\_\_\_  
President. Board of Supervisors

\_\_\_\_\_  
Secretary, Board of Supervisors

## ABBREVIATIONS

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

UNIFORM GIFT MIN ACT	-	_____ Custodian _____
		(Cust) (Minor)

Under Uniform Gifts to Minors

Act	_____
	(State)

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

**ASSIGNMENT AND TRANSFER**

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

---

(please print or typewrite name and address of assignee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Signature Guarantee:

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

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

Please insert social security or other identifying number of Assignee.



# **EIGHTH ORDER OF BUSINESS**

## **STAFF REPORTS - A. MANAGER**

### **I. Heron Bay Preserve Rules and Regulations**



# NORTH SPRINGS PRESERVE

RULES & REGULATIONS

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PROPOSED



11901 HERON BAY BLVD, CORAL SPRINGS, FL 33076



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## 1. GENERAL INTENT

The North Springs Preserve, a 150-acre stormwater preserve nestled between Coral Springs and Parkland, features scenic trails and a sanctuary for native Florida wildlife. The Parkland 17 Memorial within the Preserve offers a peaceful space for reflection with landscaped paths, benches, and tributes honoring those lost. The North Springs Improvement District is dedicated to maintaining a safe, welcoming environment for recreation and remembrance. These Rules and Regulations protect the Preserve's natural beauty, ecological integrity, and commemorative purpose for all visitors. Visit [www.nsidfl.gov](http://www.nsidfl.gov) for updates to these rules.

## 2. DEFINITIONS

- **District:** The North Springs Improvement District and its authorized representatives.
- **District Personnel:** Any employee, volunteer, Board of Supervisors, or other individual officially authorized to carry out duties on behalf of the District within the Preserve. This includes, but is not limited to, its Board of Supervisors, District Manager, or designated representatives.
- **Preserve:** The North Springs Preserve, including all grounds, trails, facilities, parking areas, the Welcome Center, and the Parkland 17 Memorial.
- **Service Animal:** A dog or miniature horse trained to assist individuals with disabilities, as defined by the Americans with Disabilities Act (ADA).
- **Visitor:** Any person entering the Preserve, including residents, guests, and permittees.

## 3. VISITORS' RESPONSIBILITIES

### 3.1. Responsibilities

- 3.1.1. All individuals entering the facility are required to adhere to the prescribed Rules and Regulations. Each guest will be held accountable for their conduct. In the event that an individual causes damage to any part of the Preserve, including but not limited to the facilities therein, that individual shall be solely responsible for all costs associated with the repair and/or replacement of the damaged area(s) and/or item(s).

### 3.2. Medical Emergencies

- 3.2.1. In an emergency, call 911. Provide your exact location within the Preserve.

## 4. VISITORS' CONDUCT

### 4.1. Behavior

- 4.1.1. No individual entering the Preserve or its facilities shall engage in excessive or unnecessary noise that is clearly audible from a distance of fifty (50) feet. Any person exhibiting disorderly conduct, undermining public morals, violating public decency, disturbing the peace of others, initiating conflict, acting inappropriately or disrespectfully, or otherwise disrupting the tranquility of the area may face revocation of their privilege to utilize the Preserve or to participate in any activities or programs at the Preserve or the Welcome Center Facility.

### 4.2. Smoking

- 4.2.1. No individual shall utilize cigarettes, unfiltered cigars, filtered cigars, pipes, or any other tobacco products (including nicotine vaporizers, electronic cigarettes, liquid nicotine, or any other smoking apparatus), or engage in the smoking or consumption of cannabis in any form, within the Preserve, unless specific exceptions are designated in particular areas. This rule shall be interpreted and applied in accordance with State law.

### **4.3. Alcohol**

- 4.3.1.No individual shall introduce, consume, or sell alcoholic beverages within the Preserve, except for those who operate under a concession license granted by the District, in accordance with the regulations and oversight of the District. The sale of alcoholic beverages is limited to individual servings, which may only be consumed on the premises of the concession. The sale of beer and wine in unopened containers is strictly prohibited at all times.
- 4.3.2.Alcoholic beverages may be consumed during family or group picnics or events; however, a permit for such consumption must be obtained in advance from the District.

### **4.4. Weapons and Dangerous Instruments**

- 4.4.1.No individual shall introduce onto the Preserve, discharge within its boundaries, or possess on any property located within the Preserve any weapon, explosive, dynamite cap, fireworks, air gun, pellet gun, spring gun, slingshot, crossbow, bow, and arrow, any incendiary bomb or material, any smoke or stink bomb, any tear gas or other disabling chemical or agent, any acid or caustic substance, or any flammable liquid except fuel contained in the fuel tank of a motor vehicle.
- 4.4.2.This policy recognizes and acknowledges the preemption of the regulation of firearms found in §790.33, F.S., and this policy shall be interpreted and applied in compliance with Chapter 790, F.S., as amended.

## **5. OPERATING POLICIES**

### **5.1. Entry**

- 5.1.1.To ensure safety and security, all visitors must enter North Springs Preserve only through the main entrance or a District-authorized entry point.
- 5.1.2.Children under 16 years of age must be accompanied by an adult or legal guardian to enter the Preserve.
- 5.1.3.Individuals appearing intoxicated or under the influence of drugs will be denied entry or escorted off the premises.

### **5.2. Standard Hours of Operation**

- 5.2.1.The Preserve and Welcome Center are open to the public daily from sunrise to sunset. Lighted facilities may remain open to the public after sunset only while the lights are illuminated and are considered closed when the lights are turned off or when posted signage indicates closure.

### **5.3. Hours Adjustments and Temporary Closures**

- 5.3.1.Seasonal, holiday, or other operational hours may vary. The District may adjust hours or close the Preserve, Welcome Center, or any portion thereof for special events, scheduled maintenance, or other operational needs. Please check posted signage, bulletins, or the District website for current hours, adjustments, and closure notices.

### **5.4. After-Hours Access Restrictions**

- 5.4.1.No individual may enter or remain in any part of the Preserve after closing hours without prior written permission from the District. The District and its authorized personnel may access and use Preserve facilities at any time for maintenance, operations, management, or other official purposes.

## **5.5. Authority of the District**

- 5.5.1. The Board of Supervisors of the North Springs Improvement District, along with the District Manager, may modify or amend reasonable rules and regulations deemed necessary for the effective management, operation, and maintenance of the Preserve and its associated activities.
- 5.5.2. The North Springs Improvement District Board of Supervisors authorizes the District Manager or their designee to exercise all rights and authority provided under these park regulations, including the power to enforce them.

## **5.6. Ejection and Trespassing**

- 5.6.1. Any individual found to be in violation of the provisions outlined in these Rules and Regulations will be required to leave the Preserve, and reentry shall be denied for that day.
- 5.6.2. All criminal offenses may lead to arrest by law enforcement authorities and will be prosecuted to the fullest extent allowed by applicable law.
- 5.6.3. Any individuals who remain on the Preserve grounds after closing hours may be subject to removal. Failure to leave Preserve grounds may result in arrest and prosecution by law enforcement to the fullest extent permitted by law.
- 5.6.4. Upon ejection, the person will be directed to leave the premises immediately. Failure to leave when instructed constitutes trespassing under Florida law (§ 810.09, F.S.).
- 5.6.5. The District Manager, or their designee, may authorize law enforcement to enforce trespass actions. Individuals found in violation of these regulations shall be subject to a thirty (30) day ban. Any subsequent violations may result in a warning that imposes a one (1) year ban. The District shall be notified of all trespass warnings, and individuals subject to a trespass warning may appeal the decision by submitting a written request to the District within ten (10) days of receiving notification of the warning and the right to appeal.

## **5.7. Enforcement**

- 5.7.1. The Preserve is dedicated to enforcing these Rules and Regulations in a manner that is just and impartial.
- 5.7.2. No individual shall impersonate an official or personnel of the Preserve while they are executing their lawful duties.

# **6. VEHICLES**

## **6.1. Traffic Laws**

- 6.1.1. All applicable state and local vehicle and traffic laws and ordinances shall remain in full effect within the Preserve and its associated parking lot.
- 6.1.2. Law enforcement shall have the authority to enforce any infractions or violations observed within the Preserve and its associated parking lot.

## **6.2. Vehicle Operation**

- 6.2.1. Only authorized vendors, District personnel, or individuals granted permission by the District are permitted to operate vehicles or golf carts within the Preserve. Such operation is restricted to designated paved or improved roads, driveways, or trails specifically designated for vehicular use, unless directed by a law enforcement officer, District personnel, or indicated by official signage or markings. This regulation does not apply to individuals with mobility impairments utilizing self-propelled wheelchairs, power wheelchairs, mobility scooters, or other assistive mobility devices.

- 6.2.2.No individual shall operate a vehicle within the Preserve at a speed exceeding 15 miles per hour, unless otherwise indicated by official signs or markings on the roads or driveways that permit a different speed.

### **6.3. Parking**

- 6.3.1.No individual shall park a vehicle on Preserve property except in designated spaces and in accordance with posted signs and markings. Parking outside designated areas is prohibited except in an emergency or when directed by law enforcement or District personnel.
- 6.3.2.No vehicle may be parked or left stationary in the Preserve or its associated parking lots during nighttime hours unless its front and rear lights are illuminated and clearly visible. This does not apply to designated parking areas.
- 6.3.3.No vehicles shall be left parked on the Preserve property after closing hours without obtaining a permit from the District.
- 6.3.4.The District reserves the right to tow any vehicles that are left or abandoned on Preserve property overnight, as well as those parked improperly. All costs and expenses associated with such towing will be the responsibility of the vehicle owner.
- 6.3.5.The District shall not be liable for any injuries, damages, or losses associated with vehicles parked or operated within the Preserve and its associated parking lot.

## **7. PROPERTY**

### **7.1. General Use**

- 7.1.1.All Preserve property, the Welcome Center Facility, and other facilities and equipment shall be used for the purpose for which they were designed.

### **7.2. Restrooms**

- 7.2.1.No urinating or defecating on any Preserve property shall be allowed, except in the provided restrooms.
- 7.2.2.Per Florida Statutes § 553.865 (“Safety in Private Spaces Act”), as amended, the following provisions apply to North Springs Preserve in the same manner as to an educational institution:
- Restrooms and changing facilities are designated for exclusive use by either females or males, based on biological sex.
  - A person may enter a facility designated for the opposite biological sex only when necessary to accompany and assist:
    - A child under the age of 12,
    - An elderly person, or
    - A person with a disability or developmental disability.
  - This section does not apply to actions of law enforcement, emergency medical services, or custodial or maintenance staff.

### **7.3. Building, Sculptures, and Monuments.**

Except as authorized by the District, no person shall engage in or facilitate any of the following actions:

- 7.3.1.Willfully mark, deface, or damage in any manner; displace, remove, or tamper with any structures, buildings, tables, benches, railings, art, paving or paving materials, water line, or other public utilities and their components; Preserve signs or markings whether temporary or permanent; monuments, stakes, posts, or any other structures or equipment, facilities, or properties associated with the Preserve.



- 7.3.2. Willfully dig, cut, move, or remove from any sand, wood, turf, grass, gravel, shrubs, or any other material from any area within the Preserve, or conduct any excavation by hand, tool, equipment, blasting, or any other means.
- 7.3.3. Willfully construct, install, or erect any building or structure, whether permanent or temporary, or run or string any public or private utility into, upon, or across the Preserve.
- 7.3.4. Willfully place any objects, such as hammocks, ropes, or similar items, unless otherwise specified in designated areas.
- 7.3.5. Willfully climb any tree, or walk, stand, or sit upon any monument base, fountain, railing, fence, or any portion of the Preserve that is not normally used for such purpose.

#### **7.4. Vegetation**

Except as authorized by the District, no person shall engage in or facilitate any of the following actions:

- 7.4.1. Willfully pick, saw, chop, cut, carve, remove, or injure any flowers, seeds, blooms, bark, branches, twigs, or leaves of any tree, plant, shrub, vine, bush, or any other form of vegetation located within any portion of the Preserve.
- 7.4.2. Willfully hang, sit upon, or climb any tree on any portion of the Preserve.
- 7.4.3. Willfully drive any nails, staples, tape, or affix or secure any wire, rope, or similar device to any tree or plant, or tie or hitch any animal to any tree or plant located within any portion of the Preserve.
- 7.4.4. Willfully dig in or disturb any grass areas, or in any way injure or impair the natural beauty or usefulness of any portion of the Preserve.

#### **7.5. Wildlife**

- 7.5.1. **Notice:** No individual shall molest, harm, frighten, kill, injure, net, trap, snare, hunt, chase, shoot, throw, or propel missiles at any wildlife that is free-roaming, including but not limited to coyotes, alligators, or birds, within the Preserve. Additionally, no individual shall remove or possess the young of any wildlife or the nests or eggs of any wildlife, nor collect, remove, possess, gift, sell, offer to sell, purchase, offer to purchase, or accept as a gift any specimen, whether dead or alive, of any wildlife within the Preserve, unless explicitly authorized by the District.
- 7.5.2. No individual shall feed any wildlife within the Preserve, including, but not limited to, birds and reptiles.
- 7.5.3. No individual shall place, dump, abandon, or leave any animal, reptile, or bird, either wild or domestic, within any portion of the Preserve.

#### **7.6. Waterways**

- 7.6.1. No individual shall utilize the fountains, drinking fountains, ponds, lakes, streams, canals, or any other bodies of water within the Preserve, nor shall storm sewers or drains that flow into these bodies be employed for the disposal of any substances or materials that may lead to the pollution of these waters. Such practices are strictly prohibited, and any individual who violates this regulation shall be subject to prosecution to the fullest extent permitted by law.

#### **7.7. Littering and Waste**

- 7.7.1. No individual shall willfully bring into or dispose of, deposit, or leave any bottles, broken glass, ashes, paper, boxes, cans, dirt, waste, garbage, or any form of trash within the Preserve. Where receptacles are available, they should be utilized for the disposal of small quantities of rubbish or waste. In the absence of receptacles, all such refuse or waste must be removed from the Preserve by the individual responsible for its presence and disposed of appropriately elsewhere.

## **8. Recreational Activities**

### **8.1. Motorized & Non-Motorized Equipment**

- 8.1.1. No individual shall operate, drive, or navigate any skateboard, electric scooter, electric bicycle, gas bicycle, moped, utility vehicle, all-terrain vehicle, go-cart, golf cart, Segways, ATVs, or any other comparable recreational device within the Preserve.
- 8.1.2. The provisions of these subsections shall not apply to the use of a self-propelled wheelchair, power wheelchair, or manually-powered aids, or other power-driven mobility devices (OPDMDs) used by individuals with disabilities (e.g., electric mobility scooters); or District-authorized maintenance or emergency vehicles.
- 8.1.3. Human-powered modes of transportation, including bicycles and roller skates, are permitted within the Preserve in designated areas.
  - 8.1.3.1. Operators must provide adequate notice to pedestrians when passing on walking trails.
  - 8.1.3.2. Operators must remain within the designated bicycle path.
  - 8.1.3.3. It is mandatory for bicyclists under 16 to wear a properly secured helmet.
  - 8.1.3.4. For safety considerations, the District reserves the right to restrict the use of bicycles, roller skates, and similar conveyances within the Preserve to specific times and areas.
- 8.1.4. Individuals who violate this provision will be asked to leave the Preserve. Parents or guardians shall be held fully accountable for the conduct of minors.

### **8.2. Swimming**

- 8.2.1. No individual shall swim, bathe, or wade within any waterway located in or adjacent to the Preserve.

### **8.3. Fishing**

- 8.3.1. No individual shall engage in fishing activities within any waterway located in or adjacent to the Preserve.

### **8.4. Boating**

- 8.4.1. No individual shall bring into or operate any boats, yachts, cruisers, canoes, rafts, non-motorized or motorized watercraft toys, or any other form of watercraft within any waterway located in or adjacent to the Preserve.

### **8.5. Fires**

- 8.5.1. No individual shall build or start any fire within the Preserve, nor in close proximity to adjacent properties, or within any designated area of the Preserve, unless a permit has been obtained from the District.

### **8.6. Camping**

- 8.6.1. No individual shall camp within the Preserve or within the Preserve parking lot.

### **8.7. Games**

- 8.7.1. No individual within the Preserve shall engage in games that involve the throwing or propulsion of objects such as balls, stones, arrows, golf balls, javelins, kites, or model airplanes, except in areas specifically designated for such recreational activities. The organized playing of games, including but not limited to football and baseball, is strictly prohibited outside designated areas intended for these purposes, unless otherwise directed by the District or an authorized representative.

## **8.8. Drones**

- 8.8.1. The operation of drones is strictly prohibited unless a permit has been acquired or explicit instructions have been provided by the District or an authorized representative (refer to Article 10).

## **8.9. Commercial Activities**

- 8.9.1. No individual shall engage in commercial activities, which encompass, but are not limited to, providing instruction, training, classes, practices, lessons, or any other specialized activities, regardless of whether compensation is involved, within the Preserve without first obtaining a permit from the District (refer to Article 10).

## **8.10. Miscellaneous Activities**

- 8.10.1. No individual shall intentionally release or organize the release of balloons or sky lanterns into the atmosphere at the Preserve, nor shall any individual take actions that may otherwise jeopardize the wildlife of the Preserve or the surrounding environment.

# **9. SERVICE ANIMALS & PETS**

## **9.1. Service Animals**

- 9.1.1. Only Service Animals are permitted on the premises. For more information regarding the definition and qualifications of Service Animals, please refer to the Americans with Disabilities Act (ADA).
- 9.1.1.1. Under federal law, a Service Animal is a dog or miniature horse that is individually trained to do work or perform tasks to assist an individual with a disability. Dogs, miniature horses, or other animals that provide only emotional support, comfort, or companionship are not considered Service Animals ([U.S. Department of Justice. ADA Requirements: Service Animals. AGA.gov. Last modified February 28, 2020](#)).
- 9.1.1.2. Examples of such work or tasks include guiding people who are blind, alerting people who are deaf, pulling a wheelchair, alerting and protecting a person who is having a seizure, reminding a person with mental illness to take prescribed medications, calming a person with Post Traumatic Stress Disorder (PTSD) during an anxiety attack, or performing other duties. Service Animals are working animals, not pets.
- 9.1.1.3. Service Animal must be under the control of its handler at all times. A Service Animal must have a harness, leash, or other tether, unless the handler is unable to use one because of a disability, or the use of one would interfere with the Service Animal's safe, effective performance of work or tasks. In such cases, the Service Animal must otherwise be under the handler's control through voice commands, signals, or other effective means.
- 9.1.2. When it is not obvious what service an animal provides, staff may ask two questions: **(1)** Is the dog a service animal required because of a disability, and **(2)** What work or task has the dog been trained to perform?"
- 9.1.3. Service Animals exhibiting uncontrollable behavior, posing health or safety risks, or failing to be housebroken may be removed from the premises.
- 9.1.4. Service Animals that are in heat or ill are prohibited from entering the Preserve.
- 9.1.5. No Service Animal is permitted to be secured to a stationary object within the Preserve or left unattended.
- 9.1.6. Owners or handlers of Service Animals are responsible for the disposal of all fecal matter.

Waste shall not be disposed of in storm drains or lakes. Failure to clean up after the Service Animal will result in the Service Animal being prohibited from re-entering the Preserve.

9.1.7. Service Animal owners and handlers accept responsibility for any property damage, personal injury, or disturbances caused by their Service Animal.

## **9.2. Pets**

9.2.1. We ask that non-service animals be removed from the premises.

9.2.2. Professional dog trainers are prohibited from utilizing the Preserve for training purposes.

9.2.3. The presence of exotic reptile animals is not permitted within the Preserve.

# **10. PERMITS**

## **10.1. Permits**

10.1.1. No individual within the Preserve shall decline or neglect to present and display any permit they assert to possess upon the request of any law enforcement officer or District personnel seeking to inspect the permit. This measure is intended to verify that compliance with the provisions outlined in these Rules and Regulations is maintained.

## **10.2. General Requirements**

10.2.1. To obtain exclusive use of the Welcome Center or designated recreational areas, a permit issued by the District is required. For permits and inquiries, contact the North Springs Preserve office at (954) \_\_\_\_\_ or visit [www.nsidfl.gov](http://www.nsidfl.gov).

## **10.3. Application Process**

10.3.1. An individual requesting a permit to conduct an activity within the Preserve or the Welcome Center Facility must submit an application using the designated form provided by the District. The applicant is required to provide all information required by the District.

10.3.2. Applications for the use of passive recreational facilities, excluding the Welcome Center Facility, will be processed on a "first-come, first-served" basis. Applications must be submitted no fewer than five (5) calendar days and no more than ninety (90) calendar days prior to the proposed date of use. The District Manager, or designee, may, on a case-by-case basis and for good cause shown, accept applications submitted more than ninety (90) days in advance.

10.3.3. Applications for the usage of the Welcome Center facilities shall also be processed on a "first-come, first-served" basis. Applications must be submitted no fewer than five (5) calendar days and no more than one hundred twenty (120) calendar days prior to the proposed date of use. The District Manager, or designee, may, on a case-by-case basis and for good cause shown, accept applications submitted more than one hundred twenty (120) days in advance.

## **10.4. Issuance Standards**

10.4.1. The District shall issue a permit unless it is determined that the following is found:

10.4.1.1. The proposed activity or use of the Preserve and/or the Welcome Center will unreasonably interfere with or detract from the general public's use and enjoyment of the Preserve and/or the Welcome Center; or

10.4.1.2. The proposed activity or use of the Preserve and/or the Welcome Center will unreasonably interfere with or detract from public health, safety, or welfare; or

10.4.1.3. The proposed activity or use will incur extraordinary expenses or operational demands on the Preserve; or

- 10.4.1.4. The facilities requested have been reserved for another activity or use on the specified date and time as requested in the application; or
- 10.4.1.5. The proposed activity or use is in violation of the District's applicable laws, rules, regulations, or policies.
- 10.4.2. The District may impose reasonable conditions or restrictions on the granting of a permit, which may include, but are not limited to, the following:
  - 10.4.2.1. Restrictions on fires, fireworks, amplified sounds, amplified music, the consumption of alcoholic beverages, dancing, sports activities, the use of animals, equipment, or vehicles, the maximum number of attendees, the location of any bandstand or stage, or any other use likely to create a risk of unreasonable harm to the use and enjoyment of the Preserve and/or the Welcome Center by others, or to Preserve property;
  - 10.4.2.2. A requirement that the applicant pay any applicable non-refundable application or administrative fee at the time of submission.
  - 10.4.2.3. A requirement that the applicant pay the applicable rental or use fee.
  - 10.4.2.4. Post a reasonable security deposit to cover any potential damage to the Preserve or the Welcome Center Facility, or the cost of cleaning up, or both;
  - 10.4.2.5. A requirement that the applicant pay a reasonable fee in advance to cover the costs of providing adequate security for the proposed activity;
  - 10.4.2.6. A requirement that the applicant provide additional sanitary and refuse facilities that may be reasonably necessary, depending on the nature of the requested activity;
  - 10.4.2.7. A requirement that the applicant furnish a certificate of insurance in prescribed amounts to ensure adequate coverage for the protection of the District and the Preserve.
- 10.4.3. Permits shall not be transferable without the written consent of the District.
- 10.4.4. A permittee shall be bound by all of these Rules and Regulations and all applicable ordinances, as if fully incorporated into the permit.
- 10.4.5. The individual to whom a permit is issued shall be liable for any loss, damage, or injury to any person or property resulting from the negligence of the permit holder.
- 10.4.6. The District shall have the authority to revoke a permit upon a finding of violation of any rule, regulation, or ordinance, or upon breach of any condition or restriction under which the permit was issued.

## **10.5. Activities Requiring Permits**

- 10.5.1. In accordance with the provisions outlined in these Rules and Regulations, which mandate the acquisition of a permit prior to engaging in specified activities within the Preserve or the Welcome Center Facility, it is prohibited for any individual within the Preserve to conduct, operate, present, manage, or participate in the following activities without first obtaining the requisite permit:
  - 10.5.1.1. Any outing, or gathering organized by any individual or group consisting of 20 or more participants;
  - 10.5.1.2. Any advertisement, contest, exhibit, theatrical performance, motion picture screening, radio or television broadcast, fair, circus, musical event, or any analogous event;

- 10.5.1.3. Any public meeting, assembly, or parade, which includes, but is not limited to, drills, maneuvers, ceremonies, addresses, speeches, athletic contests, practices, or political gatherings;
- 10.5.1.4. Any utilization of park facilities by a specific individual or group to the exclusion of others;
- 10.5.1.5. Any licensed concessionaires authorized to sell goods or to establish any stand or cart for the sale of articles or merchandise within the Preserve.

## **11.CLOSING NOTE**

These rules are effective January 7, 2026. District may amend; check nsidfl.gov. Questions: info@nsidfl.gov or (954) 752-0400. For emergencies: 911.

Thank you for visiting the North Springs Preserve. Come again soon!

[remainder of page intentionally left blank]

# **EIGHTH ORDER OF BUSINESS**

## **STAFF REPORTS - A. MANAGER**

- II. Ground Lease Agreement with Heron Bay Community  
Association, Inc.

**Ground Lease**  
**between**  
**North Springs Improvement District**  
**and Heron Bay Community Association, Inc.**

THIS LEASE ("Lease"), entered into the 1st day of January, 2026, (the "Effective Date") by and between **NORTH SPRINGS IMPROVEMENT DISTRICT**, an independent special district and public corporation of the State of Florida, as created and existing in accordance with Chapter 2005-341, Laws of Florida, as amended and re-codified from time to time, being situated in Broward County, Florida, and whose mailing address is 9700 N.W. 52nd Street, Coral Springs FL 33076 ("NSID") and **HERON BAY COMMUNITY ASSOCIATION, INC.**, a Florida non-profit corporation whose mailing address is c/o Property Manager, 11535 NW Osprey Trail, Parkland 33076 ("Association"). NSID and Association are hereinafter collectively referred to as the "Parties" and individually referred to as a "Party".

**WITNESSETH:**

Upon the terms and conditions set forth herein, NSID does hereby lease and rent unto Association, and Association does hereby take as tenant under this Lease, the three (3) parcels consisting of consisting of approximately forty (40) acres, which are hereinafter referred to as the "Premises", as more particularly depicted in **Exhibit "A"** which is attached hereto and incorporated herein by reference, to be used by Association for staging of planting materials and mulch and other legal purposes (the "Permitted Use"); provided, however, that Association shall be prohibited from altering, modifying, or adversely affecting or interfering with any wetland mitigation areas within the Premises, which Premises is owned by North Springs Improvement District, or from constructing any structures on the Premises.

IN CONSIDERATION of the terms and covenants hereinafter set out, the Parties hereto covenant and agree as follows:

1. **RENTS:** Commencing on the Commencement Date and continuing throughout the Term, Association agrees to pay NSID, or to NSID's Agent, at NSID's office located at 9700 NW 52<sup>nd</sup> Street, Coral Springs, FL 33076 or any other location hereinafter designated by NSID, or its assignee, annual rent for said Premises, without notice, including deduction and set-offs, in the amount equal to One Dollar (\$1.00). Rent shall be paid payable on the Commencement Date, and annually thereafter, throughout the Term. Rent and any and all other sums due and payable by Association to NSID under this Lease shall be considered rent and referred to herein as "Rent".

2. **TERM:** The term of this Lease ("Term") is forty (40) years, to wit: from January 1, 2026 (the "Commencement Date") through December 31, 2065.

3. **MAINTENANCE/USE:**

a. Association shall only use the Premise for the Permitted Use unless NSID provides express written consent for such additional use.



b. NSID shall deliver the Premises to Association on the Commencement Date vacant.

c. Association shall maintain the Premises at its sole cost and expense throughout the Term, thereby complying with all applicable maintenance standards of the City of Parkland, which include but is not limited to, cutting and trimming of all grass, trees, shrubs, and landscaping at the Premises. Notwithstanding the foregoing, Association shall have no responsibility for maintaining, repairing or replacing the cart paths at the Premises.

d. Association shall not alter the Premises in violation of this Lease or any covenants, bonds, or other restrictions on the Premises. The Premises shall remain permeable, and the installation of anything other than landscaping or trees is expressly prohibited.

e. Association shall not alter, modify, or adversely affect or interfere with any wetland mitigation areas within the Premises, as more particularly depicted in **Exhibit "B"**, which is attached hereto and incorporated herein by reference.

4. **REAL ESTATE TAXES:** The Association shall be responsible and timely pay any and all real estate taxes which may be assessed by the lawful taxing authority against the Premises or the land, buildings and improvements thereon.

5. **COMPLIANCE:** Association shall promptly execute and comply with all statutes, ordinances, rules, orders, regulations and requirements of the federal, state and city government and of any and all their departments and bureaus applicable to Association's use and occupancy within said Premises.

6. **INDEMNITY AND IMMUNITY:** In consideration of the payment of One Hundred Dollars (\$100.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Association agrees to save, defend, hold harmless and indemnify NSID, its employees, elected officials, contractors, officers, agents, and contractors, with respect to any and all claims, lawsuits, damages, demands, or liabilities of any nature (collectively, "Claims") arising out of or related to the use of the Premises by Association, whether due to any act or occurrence or omission to act by Association or any of its vendors, employees, agents, subcontractors and representatives or otherwise. The foregoing shall not apply to any Claims resulting from the negligence or willful misconduct of NSID or its employees, agents, contractors or representatives. This indemnity includes but is not limited to the costs and expenses, including attorney's fees at all levels, of the defense of all such claims in all courts or other tribunals. This indemnity shall survive the termination and expiration of this Lease. Nothing in this Lease shall alter or waive sovereign immunity or extend the liability of NSID and its officers, employees, agents, servants, and successors and assigns, beyond the limits established in Section 768.28, Florida Statutes.

7. **ASSIGNMENT:** Assignment or subletting of this Lease or the Premises is prohibited.

8. **TERMINATION:** This Lease may be terminated by Association at any time for cause or convenience by providing at least one-hundred and eighty (180) day's advance written

*MAB*

notice of termination. NSID may only terminate this Lease for cause in the event of any material breach by Association that remains uncured more than thirty (30) days following written notice thereof from NSID to Association, or if otherwise required by law. The Association shall return the Premises to its original state (ordinary wear and tear accepted), at its sole cost and expense, within thirty (30) days of the termination or expiration of this Lease.

9. **INSURANCE:** At all times during the Term, Association shall maintain comprehensive general liability insurance in the minimum coverage amount of \$1,000,000 for each occurrence and an annual aggregate of liability of \$3,000,000 and shall include NSID as an additional named insured on such policy(s). Certificates reflecting same shall be provided to NSID upon request.

10. **FORCE MAJEURE:** If and to the extent that either Party's performance of any of its obligations pursuant to this Lease is prevented, hindered or delayed directly or indirectly by fire, flood, earthquake, elements of nature or acts of God, acts of war, terrorism, riots, civil disorders, rebellions or revolutions, or any other similar cause beyond the reasonable control of such Party (each a "Force Majeure Event"), then such Party shall be excused for such non-performance, hindrance or delay, as applicable, of those obligations affected by the Force Majeure Event for as long as the Force Majeure Event continues. NSID shall be entitled to temporarily close the Premises to use by Association if reasonably necessary or advisable during the time of a Force Majeure Event.

11. **APPLICABLE LAW:** This Lease shall be governed by and construed in accordance with the laws of the State of Florida with jurisdiction and venue lying in Broward County. .

12. **ATTORNEYS FEES:** In any action or proceeding to enforce this Lease, including any appeals or post judgment proceedings, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable attorney's fees, court costs, filing fees, publication costs and other expenses incurred by the prevailing party in connection therewith.

13. **WAIVER OF NOTICE:** Association agrees to waive notice pursuant to Section 83.20 of the Florida Statutes, if it has not vacated the Premises if and when required by this Lease.

14. **RENEWAL OPTION:** The Parties may mutually agree in writing to extend the Term for one (1) additional forty (40) year term upon the execution of a written amendment to this Lease following approval by the District's Board of Supervisors. In the event Association desires to so extend the Term, Association shall provide NSID with a written request of the same no later than ninety (90) days prior to the expiration of the initial Term.

15. **NOTICES:** All notices and demands authorized or required to be given to Association or NSID hereunder may be served upon Association or NSID in person or by regular mail addressed at the Premises for Association or attached to the front door of Premises for

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Association. The Parties designate the following as the respective place for giving of notice, to wit:

For Association: Heron Bay Community Association  
c/o Property Manager  
11535 NW Osprey Trail  
Parkland, FL 33076

For NSID: North Springs Improvement District  
Attn: Rod Colon, District Manager  
9700 NW 52<sup>nd</sup> Street  
Coral Springs, FL 33076

With Copy to: Samuel S. Goren, District Attorney  
Brian J. Sherman, Assistant District Attorney  
Goren, Cherof, Doody & Ezrol, P.A.  
3099 E. Commercial Blvd., #200  
Fort Lauderdale, FL 33308

16. **COMPLETE AGREEMENT:** No oral agreements, statements, representations, understandings or promises, from any source, or terms or provisions have been made, and all terms and conditions are hereinafter set out. This Lease may only be amended by written agreement signed by NSID and Association.

17. **QUIET ENJOYMENT.** NSID represents and covenants that, upon paying Rent and performing the terms, covenants and conditions of this Lease, Association shall peaceably and quietly have, hold and enjoy exclusive possession of the Premises, all appurtenances belonging thereto, and all rights granted to Association by this Lease for the entire duration of the Term, and any extended term, without any hindrance or interference by NSID or any person acting by, through or under NSID.

18. **COUNTERPARTS; ELECTRONIC SIGNATURES.** This Lease may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree that this Lease shall be deemed validly executed and delivered by a party if a party executes this Lease by manual signature or by affixing its signature hereto by means of an electronic signature tool, application, or software (e.g., DocuSign).

19. **RIGHT OF FIRST REFUSAL/RESTRICTION ON TRANSFER.**

a. If NSID receives a bona fide acceptable offer to purchase the Premises during the Term of this Lease, NSID grants Association an option to purchase the same (the "Right of First Refusal") upon the same terms and conditions (the "Basic Sale Terms"), including, without limitation, the purchase price (provided, however, that the purchase price by Association shall be reduced by any real estate commissions NSID would be obligated to pay by contract pursuant to a sale to a third party but which NSID shall not be obligated to pay upon a

sale to Association). Promptly after the receipt of such offer, NSID shall give Association written notice of the terms and conditions of the offer, enclosing a copy of the offer and enclosing copies of all information and documentation reasonably necessary to the consideration of such offer, and Association may exercise the option to purchase at any time within thirty (30) days after receipt of such notice and additional documentation. NSID shall promptly provide Tenant with any other information reasonably requested by Association within such thirty (30) day period and Association shall have an additional ten (10) day period after its receipt of such additional information to exercise such option.

b. If Association elects to exercise such option, it shall do so by giving written notice to NSID within such periods and a purchase contract shall be executed by the parties and title conveyed within a reasonable time thereafter. The failure of Association to exercise the option to purchase shall in no way release or relieve NSID from NSID's obligation to provide Association with notice of any future offers to purchase.

c. If Association either rejects the Right of First Refusal or does not timely exercise the Right of First Refusal, then NSID shall be free to sell the Premises to a third party upon terms and conditions no less favorable to NSID than the Basic Sale Terms without further obligation to Association. If after Association either rejects the Right of First Refusal or does not timely exercise the Right of First Refusal, and NSID desires to offer the Premises for sale upon terms that are less favorable to NSID than the Basic Sale Terms and/or at a purchase price that is less than the purchase price stated in the Basic Sale Terms, then NSID must first give Association a new notice of its Right of First Refusal to purchase the Premises in accordance with the procedures set forth above.

d. [This subsection shall be interpreted, amended, modified, or limited to the extent required by law.]

**(SIGNATURE PAGE TO FOLLOW)**

*AMPB*

ASSOCIATION:

HERON BAY COMMUNITY ASSOCIATION,  
INC., a Florida non-profit corporation

By: Mark P Bosua  
Print Name: Mark Bosua  
Title: President

ATTEST:

By: [Signature]  
Print Name: Mark P. Bosua  
Title: President

Date: 10/30/2025, 2025

NSID:

NORTH SPRINGS IMPROVEMENT DISTRICT,  
an independent special district

ATTEST:

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

Rod Colon, District Manager

APPROVED AS TO FORM:

Date: \_\_\_\_\_, 2025

OFFICE OF DISTRICT ATTORNEY

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF PREMISES**

**Parcel 1:**

**Parcel ID:** 4841 06 00 0090

**Legal Description:** 6-48-41 THAT PART OF NE1/4 OF SEC 6 INC IN OR 27435 PT PG 551 & PGS 552 THRU 555 LESS POR DESC IN OR 30372/1991 AS MITIGATION AREA 11A & 9A

**Parcel 2:**

**Parcel ID:** 4741 31 01 0271

**Legal Description:** FLA FRUIT LANDS CO SUB NO 2 1-102 B 31-47-41 THAT PART OF TRACTS 27,28,29 & 30 INC'D IN OR 27435/538 AND LESS PORTIONS DESC IN OR 30372/ 1991 AS MITIGATION AREAS 11A & 9B AKA: PART OF HERON BAY GOLF COURSE

**Parcel3:**

**Parcel ID:** 4741 31 01 0043

**Legal Description:** FLA FRUIT LANDS CO SUB NO 2 1-102 PB 31-47-41 PART OF TRACTS 4,25,26 & 31 INC IN PROPERTY DESC'D IN OR 27435 PAGE 538 LESS POR DESC IN OR 30372/1991 AS MITIGATION AREA 10A AKA: PART OF HERON BAY GOLF COURSE

*MPB*

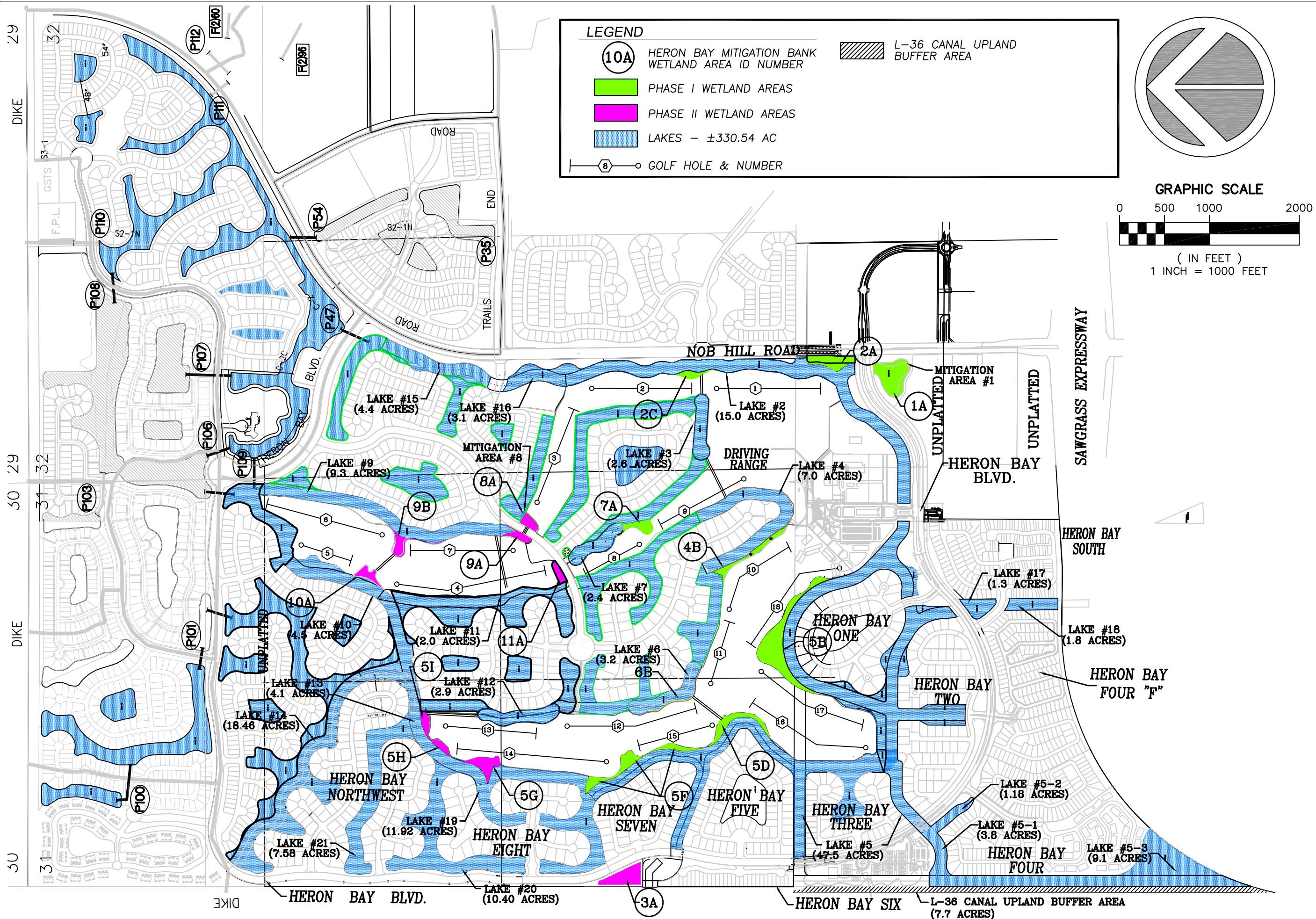
**EXHIBIT "B"**

**HERON BAY WETLAND MITIGATION MAP**

NSID To  
ATTACH.  
mmp



V:\TWP-RNG-SEC\48-41-05\991010\DWG\ENV\91010MIT-1\_REV\_09-15-2011.DWG 9/14/11 by EMARTIN



LAKE AND MITIGATION AREA LOCATION MAP

**MILLER LEGG**  
South Florida Office: 1800 North Douglas Road, Suite 200  
Plantation, Florida 33324-3200  
954-436-7000 • Fax: 954-436-8664  
www.millerlegg.com

CERTIFICATE OF AUTHORIZATION:			
EB7318 LB6680 LC0337			
DES.	PSA	DWN.	CHK.
PROJECT / FILE NO.			
991010			
DRAWING NO.			
EXC-1A			
DATE DRAWN:	1	OF	1
1/24/07			

**NSID/HERON BAY MITIGATION BANK**  
CITIES OF PARKLAND AND CORAL SPRINGS  
FOR: WATERMARK COMMUNITIES, INC.



**EIGHTH  
ORDER OF BUSINESS**

**STAFF REPORTS - B. ATTORNEY**

**EIGHTH  
ORDER OF BUSINESS**

**STAFF REPORTS - C. ENGINEER**

# **NINETH ORDER OF BUSINESS**

Approval of Financials and Check Registers



# North Springs Improvement District

9700 NW 52 ST

Coral Springs, FL 33076

Phone: (954) 752-0400 • Fax (954) 755-7317

To: Rod Colon, District Manager

From: Maryam Omid, CFO

Re: Financials & Procurement

Date: December 31, 2025

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I, Maryam Omid, certify that the financials and procurement for the January 2026 Agenda meet the District's procurement criteria and comply with the District's Charter and State Law.

Sincerely,

Maryam Omid, CFO

**North Springs Improvement District  
General Fund  
Summary Report  
For the Period Ending November 30, 2025**

	<b>ADOPTED BUDGET FY 26</b>	<b>PRORATED BUDGET THRU 11/30/2025</b>	<b>ACTUAL ENDING 11/30/2025</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>REVENUE</b>				
TOTAL REVENUES	4,362,720	727,120	811,070	83,950
<b>EXPENDITURES</b>				
TOTAL EXPENDITURES	4,362,720	727,120	1,593,733	(866,613)
<b>EXCESS REVENUES (EXPENSES)</b>	-	-	<b>(782,664)</b>	<b>(782,664)</b>
FUND BALANCE BEGINNING				6,830,529
FUND BALANCE ENDING				6,047,865

**North Springs Improvement District  
Water & Sewer Fund  
Summary Report  
For the Period Ending November 30, 2025**

	<b>ADOPTED BUDGET FY 26</b>	<b>PRORATED BUDGET THRU 11/30/2025</b>	<b>ACTUAL ENDING 11/30/2025</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>REVENUE</b>				
TOTAL REVENUES	28,393,050	4,732,175	2,680,931	(2,051,245)
<b>EXPENDITURES</b>				
TOTAL EXPENDITURES	28,226,291	4,704,382	3,316,735	1,387,646
<b>EXCESS REVENUES (EXPENSES)</b>	<b>166,759</b>	<b>27,793</b>	<b>(635,805)</b>	<b>(663,598)</b>
FUND BALANCE BEGINNING				115,395,212
FUND BALANCE ENDING				114,759,407

# **TENTH ORDER OF BUSINESS**

Adjournment