

RESOLUTION NO. 2026-07

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LABELLE, FLORIDA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT EXCEEDING \$20,000,000 IN PRINCIPAL AMOUNT OF ITS WATER AND SEWER REVOLVING CREDIT BOND, SERIES 2026, TO FINANCE THE COST OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE CITY'S WATER AND SEWER SYSTEM; PLEDGING THE NET REVENUES OF SAID SYSTEM TO PAY THE SERIES 2026 BOND; AUTHORIZING THE AWARD OF THE SALE OF THE SERIES 2026 BOND UPON COMPLIANCE WITH CERTAIN PARAMETERS; AUTHORIZING THE EXECUTION AND DELIVERY OF THE FORM OF ATTACHED REVOLVING CREDIT AGREEMENT BETWEEN THE CITY AND THE PURCHASER OF THE SERIES 2026 BOND; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LABELLE, FLORIDA, that:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution is enacted pursuant to the provisions of Chapter 166, Part II, Florida Statutes, the City Charter of the City of LaBelle, Florida, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

A. The City of LaBelle, Florida (the "City") desires to obtain interim financing (the "Loan") to provide for the acquisition and construction of certain capital projects in and for the City (collectively, the "2026 Project"), related to water and sewer utility projects eligible for State Revolving Fund funding and/or grant reimbursement.

B. It is necessary and desirable to provide for the execution and delivery of a Revolving Credit Agreement (the "Credit Agreement") and the issuance of a Water and Sewer Revolving Credit Bond, Series 2026 (the "Series 2026 Bond") of the City to implement the Loan. Amounts due under the Credit Agreement and the Series 2026 Bond shall be payable from the Net Revenues (as such term is defined in the Credit Agreement), junior and subordinate in all respects to the Senior Obligations, and on a parity with the Parity Obligation (as each such term is defined in the Credit Agreement).

C. In accordance with the provisions of Part III, Chapter 218, Florida Statutes, a negotiated sale of the Series 2026 Bond is in the best interest of the City because of the flexibility available in structuring the Series 2026 Bond and its terms.

SECTION 3. AUTHORIZING AND AWARD OF SERIES 2026 BOND. The issuance by the City of not to exceed \$20,000,000 principal amount of its Series 2026 Bond for the purposes described above; to be dated, to bear interest at a rate or rates not exceeding the

maximum legal rate per annum, to be payable, to mature, to be subject to redemption and to have such other characteristics as are provided in the Credit Agreement attached; and secured by a lien upon and a pledge of the Net Revenues sufficient to pay the principal and interest on such Series 2026 Bond, is hereby authorized. The sale of the Series 2026 Bond is hereby authorized to First Bank, pursuant to such final terms providing the best overall benefit to the City as approved by the Mayor of the City (the "Mayor"), providing the following parameters are complied with: (A) the aggregate principal amount of the Series 2026 Bond shall be not in excess of \$20,000,000; (B) the interest rate on the Series 2026 Bond shall not exceed 4.10% per annum; and (C) the Series 2026 Bond shall be redeemable at the option of the City at any time without penalty.

SECTION 4. APPROVAL OF CREDIT AGREEMENT AND SERIES 2026 BOND. The Credit Agreement and the Series 2026 Bond in the form attached thereto as Exhibit A are hereby approved in substantially such forms, with such modifications as may be approved by the Mayor and the Clerk-Commissioner, such approval to be conclusively determined by the execution and delivery thereof by the Mayor and the Clerk-Commissioner of the City, who are hereby authorized to execute and deliver such instruments and to take such other actions as shall be necessary to implement the Loan.

SECTION 5. REPEAL OF INCONSISTENT PROVISIONS. All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

SECTION 6. SEVERABILITY. In the event that any portion or section of this Resolution is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Resolution, which shall remain in full force and effect.

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect immediately upon its final passage and adoption.

PASSED AND ADOPTED this 9th day of April, 2026.

CITY OF LABELLE, FLORIDA

Julie C. Wilkins
Its: Mayor

ATTEST:

Tijauna Warner, MPA,
MMC Its: Deputy City Clerk

EXHIBIT A
FORM OF CREDIT AGREEMENT

REVOLVING CREDIT AGREEMENT

between

CITY OF LABELLE, FLORIDA

and

FIRST BANK

Dated _____, 2026

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REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT (the "Credit Agreement" or the "Agreement") made and entered as of _____, 2026, by and between the CITY OF LABELLE, FLORIDA (the "City") and FIRST BANK (the "Bank").

WITNESSETH

WHEREAS, the City has requested and the Bank has provided a proposal for a revolving line of credit under which funds may be borrowed and reborrowed by the City to provide interim financing for costs of certain utility projects in the form of the 2026 Project (as hereinafter defined).

WHEREAS, the City and the Bank intend to provide such a revolving line of credit as evidenced by this Credit Agreement.

WHEREAS, the obligations of the City to repay amounts borrowed and reborrowed and other amounts payable hereunder shall be evidenced by the execution and delivery by the City of its Water and Sewer Revolving Credit Bond, Series 2026 (the "Series 2026 Bond") in the principal amount of not exceeding \$20,000,000 and in the form attached hereto in Exhibit B.

WHEREAS, the Series 2026 Bond is a limited and special obligation of the City, the principal of and interest on which are payable solely from Net Revenues (as hereinafter defined) in the manner provided herein, and the principal of and interest on the Series 2026 Bond and all other payments provided for herein will be paid solely from Net Revenues.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

SECTION 1. DEFINITIONS. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Senior Bond Resolution (as hereinafter defined). In addition, the following terms shall have the following meanings herein, unless the text otherwise expressly requires:

"2026 Project" means the capital improvements described in Exhibit A attached hereto.

"Advance" means disbursement to the City of all or a portion of the Authorized Amount pursuant to a Requisition.

"Authorized Amount" means an aggregate principal amount outstanding hereunder from time to time not to exceed Twenty Million Dollars and No Cents (\$20,000,000.00) at any one time.

"Bank" shall have the meaning ascribed thereto in the Series 2026 Bond.

"Business Day" shall mean any day of the year on which banks in the City of LaBelle, Florida are not required or authorized by law to remain closed and on which the Bank and the City and the New York Stock Exchange, Inc. are open for business.

"Code" means the Internal Revenue Code of 1986, as the same may be amended and supplemented.

"City Clerk" shall mean the Clerk-Commissioner of the City, and in his or her absence or unavailability, the Deputy City Clerk of the City.

"City Commission" shall mean the City Commission of the City of LaBelle, Florida.

"Credit Agreement" means this Revolving Credit Agreement, dated as of _____, 2026, as amended and supplemented from time to time pursuant to the provisions hereof.

"Default" or **"Event of Default"** shall have the meaning set forth in Section 16 hereof.

"Determination of Taxability" means the occurrence after the date hereof of a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that, solely as a result of actions or inactions of the City, interest paid or payable on all or a portion of the Series 2026 Bond is or was includable in the gross income of the Bank for Federal income tax purposes (a "Taxable Event"); provided, that no such decree, judgment, or action will be considered final for this purpose, however, unless the City has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity at the City's own expense to contest the same, either directly or in the name of the Bank, and until the conclusion of any appellate review, if sought. For all purposes of this definition, the effective date of any Determination of Taxability will be the first date as of which interest is deemed includable in the gross income of the registered owner of the Series 2026 Bond. For avoidance of doubt and without limiting the foregoing, a Taxable Event does not include, and is not triggered by, a change in law, rule or regulation that causes the interest on the Series 2026 Bond to be included in holder's gross income for federal income tax purposes.

"Facilities" shall mean the complete water and sewer system now owned, operated and maintained by the City, together with any and all improvements, extensions and additions thereto hereafter constructed or acquired.

"Fiscal Year" means the period from October 1 to the succeeding September 30, or such other period as may be prescribed by law.

"Gross Revenues" shall mean all moneys derived from the Rates or otherwise received by the City or accruing to it in the management and operation of the Facilities, all calculated in accordance with accepted accounting methods employed in the operation of public water and sewer systems similar to the Facilities.

"Interest Rate" shall mean 4.10%, subject to adjustment as set forth in Section 4(c) hereof.

"Loan" means the loan made to the City by the Bank by the making of the Advances pursuant to Section 3 below.

"Maturity Date" means the final date on which all outstanding principal and unpaid accrued interest on the Series 2026 Bond, or any portion thereof, shall be payable.

"Net Revenues" shall mean Gross Revenues less Operating Expenses.

"Operating Expenses" shall mean the current expenses, paid or accrued, for the operation, maintenance and repair of all facilities of the Facilities, as calculated in accordance with such accepted accounting methods, and shall include, without limiting the generality of the foregoing, insurance premiums, administrative expenses of the City related solely to the Facilities, labor, cost of materials and supplies used for such operation and charges for the accumulation of appropriate reserves for current expenses not annually recurrent but which are such as may reasonably be expected to be incurred in accordance with such accepted accounting methods, but shall exclude payments into the Sinking Fund or the Reserve Account and any allowance for depreciation or for renewals or replacements of capital assets of the Facilities.

"Parity Obligation" shall mean the City's State Revolving Fund Loan LS260370.

"Person" or words importing persons, means firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

"Project Costs" means all or a portion of the cost of acquisition and construction of the 2026 Project; engineering, legal, accounting, and financial expenses; costs of issuance; expenses for estimates of costs and of revenues; expenses for plans, specifications and surveys; fees of fiscal agents, financial advisors or consultants; administrative expenses relating solely to the 2026 Project; reimbursement to the City for any sums heretofore expended for the foregoing purposes; and such other costs and expenses as may be necessary or incidental to the financing or refinancing of the 2026 Project, including the payment of interest on the Loan.

"Register" means the books maintained by the Registrar in which are recorded the names, and addresses of the holder of the Series 2026 Bond.

"Registrar" means, with respect to the Loan, the City Clerk.

"Requisition" means an order to the Bank to fund an Advance, in substantially the form of Exhibit C attached hereto.

"Resolution" means Resolution No. 2026-____ of the City adopted on April 9, 2026, as amended and supplemented from time to time.

"Senior Bond Resolution" means the City's Resolution No. 2000-2, adopted February 10, 2000, as the same may be amended and supplemented, particularly as amended and supplemented by Resolution No. 2022-66, adopted December 8, 2022.

"Senior Obligations" shall mean the City's Water and Sewer Refunding Revenue Bond, Series 2022 and the City's Water and Sewer Revenue Bonds, Series 2013A, Series 2013B and Series 2013C.

"Series 2026 Bond" means the Water and Sewer Revolving Credit Bond, Series 2026, dated as of _____, 2026, as amended and supplemented from time to time, in the form provided in Exhibit B attached hereto.

"State" means the State of Florida.

"Taxable Rate" shall mean 5.19%.

SECTION 2. INTERPRETATION. The recitals set forth above are incorporated herein as if set forth in their entirety. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This Credit Agreement and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

SECTION 3. THE LINE OF CREDIT. The City may borrow or reborrow amounts under the Series 2026 Bond from time to time, so long as the total of all unpaid Advances which remain outstanding at any one time does not exceed the Authorized Amount. Amounts borrowed or reborrowed are to be used by the City to fund, reimburse, and refinance Project Costs. The Bank's obligation to advance or re-advance under the Series 2026 Bond shall be suspended for such time as the City is in Default (without regard to any applicable grace periods) under the Series 2026 Bond or hereunder and in any event shall expire on _____ 1, 2030, unless renewed or extended by the Bank and the City in writing and in their respective sole discretion upon such terms then-satisfactory to the Bank and the City.

On the terms and subject to the conditions of this Credit Agreement, including without limitation the conditions precedent set forth in Section 12 hereof, the Bank shall make Advances to the City.

The City shall notify the Bank of the need for an Advance not later than 10:00 a.m. on the Business Day prior to the Advance by delivering to the Bank a Requisition executed on behalf of the City by the Mayor, City Clerk or his/her designee in the form attached hereto as Exhibit C. Such Requisition shall specify the amount and date of the Advance. The Advance shall be made available to the City by transferring the amount thereof on the date and to the account of the City designated in the Requisition in immediately available funds by 2:00 p.m. on such designated Business Day. The date and amount of each Advance, and all payments made on account thereof, shall be recorded by the Bank on its books, which books shall be conclusive as to amounts payable by the City hereunder, absent manifest error.

SECTION 4. DESCRIPTION OF OBLIGATIONS.

(a) General. The Loan shall be evidenced by the Series 2026 Bond. The Series 2026 Bond shall be dated as of the initial delivery thereof; shall mature on _____ 1, 2030; and shall be in registered form. The Series 2026 Bond shall be in the form set forth as Exhibit B hereto, and shall be payable as to principal and interest, bear interest at the rate or rates, subject to adjustment, and shall be prepayable and have the other terms, all as set forth on Exhibit B hereto. Interest on the Series 2026 Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months, multiplied by the outstanding principal balance.

(b) Prepayment. The Series 2026 Bond is subject to optional prepayment by the City, in whole or in part, on any date upon five days' prior written notice to the Bank, at a prepayment

price equal to the par amount of the Series 2026 Bond to be prepaid, plus accrued interest to the prepayment date.

(c) Adjustment of Interest Rate Upon Determination of Taxability. If a Determination of Taxability shall occur, then the interest rate on the Series 2026 Bond shall be adjusted to cause the rate of interest on the Series 2026 Bond to equal the Taxable Rate, and this adjustment shall survive payment on the Series 2026 Bond until such time as the Federal statute of limitations under which interest on the Series 2026 Bond could be declared taxable under the Code shall have expired. In addition, upon a Determination of Taxability, the City shall, immediately upon demand, pay to the holder of the Series 2026 Bond (or prior holder, if applicable) (i) an additional amount equal to the difference between (A) the amount of interest actually paid on the Series 2026 Bond during the Taxable Period and (B) the amount of interest that would have been paid during the Taxable Period had the Series 2026 Bond borne interest at the Taxable Rate, and (ii) an amount equal to any interest, penalties and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the holder as a result of the Determination of Taxability. As used herein, "Taxable Period" shall mean the period of time between (a) the date that interest on the Series 2026 Bond is deemed to be included in the gross income of the owner thereof for federal income tax purposes as a result of a Determination of Taxability, and (b) the date of the Determination of Taxability and after which the Series 2026 Bond bears interest at the Taxable Rate.

The above adjustments shall be cumulative, but in no event shall the interest on the Series 2026 Bond exceed the maximum rate permitted by law. The above adjustments to the interest rate on the Series 2026 Bond shall be effective for all periods during which tax treatment of the interest on the Series 2026 Bond by the Bank is affected. Proper partial adjustment shall be made if the tax treatment is effective after the first day of the Bank's tax year or if the interest on the Series 2026 Bond does not accrue for the entire tax year of the Bank. Adjustments which create a circular calculation because the interest on the Series 2026 Bond is affected by the calculation shall be carried out sequentially, increasing the interest on the Series 2026 Bond accordingly in each successive calculation using as the new value the increase in the interest rate on the Series 2026 Bond until the change in the interest rate to the holder caused by the next successive calculation of the adjustment is de minimis.

The Bank shall promptly notify the City in writing of any adjustment to the interest rate as required above. The Bank shall certify to the City in writing the additional amount, if any, due to the Bank as a result of an adjustment in the interest rate pursuant hereto.

SECTION 5. EXECUTION OF OBLIGATIONS. The Series 2026 Bond shall be executed in the name of the City by the Mayor, and its corporate seal or a facsimile thereof shall be affixed thereto or reproduced thereon. The Series 2026 Bond may be signed and sealed on behalf of the City by any person who at the actual time of the execution of such Series 2026 Bond shall hold such office in the City, although at the date of such Series 2026 Bond such person may not have been so authorized. The Series 2026 Bond may be executed by the facsimile signature of the Mayor.

SECTION 6. REGISTRATION AND TRANSFER OF OBLIGATIONS. The Series 2026 Bond shall be and shall have all the qualities and incidents of a negotiable instrument under the laws of the State, and the registered owner, in accepting the Series 2026 Bond, shall be

conclusively deemed to have agreed that such Series 2026 Bond shall be and have all of the qualities and incidents of a negotiable instrument thereunder.

There shall be a Registrar who shall be responsible for maintaining the Register. The person in whose name ownership of any Series 2026 Bond is shown on the Register shall be deemed the owner thereof by the City and the Registrar absent manifest error, and any notice to the contrary shall not be binding upon the City or the Registrar. The City and the Registrar may treat the registered owner as the absolute owner of the Series 2026 Bond for all purposes, whether or not such Series 2026 Bond shall be overdue, and shall not be bound by any notice to the contrary.

Ownership of the Series 2026 Bond may be transferred only upon the Register and only in whole to a Qualified Institutional Buyer (as defined in Section 517.021(20), Florida Statutes). Upon surrender to the Registrar for transfer or exchange of the Series 2026 Bond accompanied by an assignment or written authorization for exchange, whichever is applicable, duly executed by the registered owner or its attorney duly authorized in writing, the Registrar shall deliver in the name of the registered owner or the transferee, as the case may be, a new fully registered Series 2026 Bond having the same terms as the Series 2026 Bond surrendered.

The new Series 2026 Bond delivered upon any transfer or exchange shall be a valid obligation of the City, evidencing the same debt as the Series 2026 Bond surrendered, shall be secured under this Credit Agreement, and shall be entitled to all of the security and benefits hereof to the same extent as the Series 2026 Bond surrendered.

The Bank is purchasing the Series 2026 Bond for investment purposes only and not with intent to distribute or resell the Series 2026 Bond. Notwithstanding the foregoing, the Series 2026 Bond may not be transferred, except in whole. Further, the transfer of the Series 2026 Bond shall be restricted to Permitted Lenders. A "Permitted Lender" shall mean any bank, trust company, savings institution, finance or leasing company, "qualified institutional buyer" (within the meaning of Securities and Exchange Commission Rule 144A), insurance company or subsidiary or affiliate of the Bank that is engaged as a regular part of its business in making loans and is authorized to do business in the State.

SECTION 7. OBLIGATIONS MUTILATED, DESTROYED, STOLEN OR LOST. In case the Series 2026 Bond shall be mutilated, or be destroyed, stolen or lost, upon the registered owner furnishing the Registrar proof of its ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur, the Registrar shall issue and deliver a new Series 2026 Bond of like tenor as the Series 2026 Bond so mutilated, destroyed, stolen or lost, in lieu of or substitution for the Series 2026 Bond, if any, destroyed, stolen or lost, or in exchange and substitution for such mutilated Series 2026 Bond, upon surrender of such mutilated Series 2026 Bond, if any, to the Registrar and the cancellation thereof; provided however, if the Series 2026 Bond shall have matured or be about to mature, instead of issuing a substitute Series 2026 Bond, the City may pay the same, upon being indemnified as aforesaid, and if such Series 2026 Bond be lost, stolen or destroyed, without surrender thereof. Any Series 2026 Bond surrendered under the terms of this Section 7 shall be cancelled by the Registrar.

Any such duplicate Series 2026 Bond issued pursuant to this section shall constitute an original, substitute contractual obligation on the part of the City whether or not, as to such duplicate Series 2026 Bond, the lost, stolen or destroyed Series 2026 Bond be at any time found by anyone, and such duplicate Series 2026 Bond shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the Net Revenues, as hereinafter pledged, to the same extent as the other Series 2026 Bond issued hereunder.

SECTION 8. FORM. The Series 2026 Bond shall be in substantially the form of Exhibit B hereto, with such variations, omissions and insertions as may be necessary, desirable and authorized or permitted by this Credit Agreement.

SECTION 9. SECURITY; NOT CONSTITUTIONAL DEBT. The obligation of the City to repay the Series 2026 Bond is a limited and special obligation payable solely from the Net Revenues in the manner and to the extent set forth herein and shall not be deemed a pledge of the faith and credit or taxing power of the City, and such obligation shall not create a lien on any property whatsoever of or in the City other than the Net Revenues. The City hereby provides to the holder of the Series 2026 Bond a pledge of and lien on the Net Revenues, junior and subordinate in all respects to payment of the Senior Obligations and any Bonds issued on a parity therewith as described in the Senior Bond Resolution. The Net Revenues shall be utilized to pay debt service on the Series 2026 Bond.

The Series 2026 Bond shall not constitute a general obligation or indebtedness of the City as a "bond" within the meaning of any provision of the Constitution of the State, but shall be the special, limited obligation of the City, the principal of and interest on which are payable solely from the Net Revenues in the manner provided herein, and the principal of and interest on the Series 2026 Bond and all other payments provided for herein will be paid solely from the Net Revenues, and it will never be necessary or authorized to levy taxes on any real property of or in the City to pay the principal of or interest on the Series 2026 Bond or other payments provided for herein.

SECTION 10. COVENANTS. The City covenants with the Bank as follows:

(a) Security. Until the Series 2026 Bond is paid or deemed paid pursuant to the provisions of this Agreement, the payment of the principal of and interest on the Series 2026 Bond shall be secured forthwith by a pledge of and lien upon the Net Revenues. The City does hereby irrevocably pledge the Net Revenues to the payment of the principal of and interest on the Series 2026 Bond in accordance with the provisions hereof.

The Series 2026 Bond is payable from the Net Revenues, junior and subordinate in all respects to the Senior Obligations, and on a parity with the Parity Obligation.

(b) Financial Statements. Not later than 270 days following the end of each Fiscal Year, the City shall provide the Bank with the annual audited financial statements of the City for the most-recently concluded Fiscal Year, audited by the City's certified public accountants, together with the report of such accountants.

(c) Other Information. The City shall provide such other public information as the Bank may reasonably request.

(d) Notice of Event of Default. The City covenants to notify the Bank of the occurrence of an Event of Default hereunder within ten (10) days of its knowledge of such Event of Default.

(e) Project Fund. The City covenants and agrees to establish a separate fund, to be known as the "City of LaBelle, Florida Water and Sewer Revolving Credit Bond Project Fund," which shall be used only for payment of the costs of the 2026 Project. Moneys in the Project Fund, until applied in payment of any item of the cost of the 2026 Project in the manner hereinafter provided, shall be held in trust by the City and shall be subject to a lien and charge in favor of the Bank and for the further security of the Bank.

The City covenants that the acquisition and completion of the 2026 Project will be completed without delay and in accordance with sound engineering practices. The City shall make disbursements or payments from the Project Fund to pay the costs of the 2026 Project upon the filing with the City Clerk and the Bank of documents and/or certificates signed by the City Clerk or his or her designee, stating with respect to each disbursement or payment to be made: (1) the item number of the payment, (2) the name and address of the Person to whom payment is due, (3) the amount to be paid, (4) the purpose, by general classification, for which payment is to be made, and (5) that (A) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the costs of the 2026 Project and is a proper charge against the Project Fund and has not been the basis of any previous disbursement or payment, or (B) each obligation, item of cost or expense mentioned therein has been paid by the City, has not been theretofore reimbursed to the City or otherwise been the basis of any previous disbursement or payment and the City is entitled to reimbursement thereof. The City Clerk shall retain all such documents and/or certificates submitted pursuant hereto for seven (7) years from the dates of such documents and/or certificates. The City Clerk shall make available the documents and/or certificates at all reasonable times for inspection by the Bank or the agent or representative of the Bank.

Notwithstanding any of the other provisions of this Section 10(g), to the extent that other moneys are not available therefor, amounts in the Project Fund shall be applied to the payment of principal and interest on the Series 2026 Bond when due.

The date of completion of the 2026 Project shall be determined by the City Mayor, who shall certify such fact in writing to the City Commission. Promptly after the date of the completion of the 2026 Project, and after paying or making provisions for the payment of all unpaid items of the cost of such 2026 Project, the City shall deposit any balance of moneys remaining in the Project Fund in such other fund or account as shall be determined by the City Commission, provided the City has received an opinion of bond counsel to the effect that such transfer shall not adversely affect the exclusion of interest on the Series 2026 Bond from gross income for purposes of federal income taxation.

SECTION 11. APPLICATION OF PROCEEDS. The Bank shall have no responsibility for the use of the proceeds of the Series 2026 Bond, and the use of Series 2026 Bond proceeds by the City shall in no way affect the rights of the Bank. All proceeds of the Series 2026

Bond shall be deposited into the Project Fund as received by the City, and utilized pursuant to the provision of Section 10(e) hereof.

SECTION 12. CONDITIONS PRECEDENT TO CREDIT AGREEMENT AND TO ADVANCES. (a) The obligation of the Bank to make Advances is subject to the satisfaction of each of the following conditions precedent on or before the date of the first Advance:

(i) Action. The Bank shall have received a copy of the action taken by the City approving the execution and delivery by the City of this Credit Agreement and the Series 2026 Bond, certified as complete and correct as of the closing date.

(ii) Incumbency of Officers. The Bank shall have received an incumbency certificate of the City in respect of each of the officers who is authorized to sign this Credit Agreement and related documents to which it is a party on behalf of the City.

(iii) Opinion of Counsel to the City. The Bank shall have received a written opinion of counsel to the City covering matters relating to the transactions contemplated by this Credit Agreement and the financing documents, in form and substance satisfactory to the Bank.

(iv) Opinion of Bond Counsel. The Bank shall have received a letter from bond counsel authorizing the Bank to rely on the final legal opinion of bond counsel dated on or about the date hereof delivered to the City in respect of the Series 2026 Bond (the "Opinion") as if such Opinion were addressed to the Bank.

(v) No Default, Etc. No Default shall have occurred and be continuing as of the closing date or will result from the execution and delivery of the Credit Agreement or the issuance of the Series 2026 Bond; the representations and warranties made by the City shall be true and correct in all material respects on and as of the closing date, as if made on and as of such date; and the Bank shall have received a certificate from the City to the foregoing effect.

(vi) Other Documents. The Bank shall have received a certified copy of the Resolution and shall have received such other documents, certificates and opinions as the Bank or its counsel shall request, all in form and substance satisfactory to the Bank.

(b) In addition, the obligation of the Bank to make any particular Advance is subject to the satisfaction of each of the following conditions precedent on or before the date of such Advance:

(i) Requisition. Receipt by the Bank of a Requisition executed on behalf of the City by the Mayor, City Clerk or his/her designee in the form attached hereto as Exhibit C.

(ii) Tax Related Documents. For each Advance requested under the Series 2026 Bond, no additional opinion is required with regard to the tax-exempt status of the interest on such Advance; provided, however, in the event the Bank or the City have reason to believe there may be a particular issue with regard to the status of such interest, either the Bank or the City may request that the tax-exempt status of the interest on such Advance

be confirmed by a new bond counsel opinion, and the City shall provide such supplemental tax certificates setting forth the certifications of the City as may be required by bond counsel or the Bank with the expense of such opinions and certificates, to be paid by the City.

(iii) Officer's Certificate. A certificate of the Mayor confirming the City's representations and warranties herein as of the date of such Advance and the absence of any Default.

(iv) Determination of Taxability. If a Determination of Taxability shall have occurred, or if the making of an Advance could reasonably be expected to result in a Determination of Taxability, the City shall not request, and the Bank shall not be obligated to make, any Advance on the Series 2026 Bond.

SECTION 13. REPRESENTATIONS AND WARRANTIES. The City represents and warrants to the Bank that:

(a) Organization. The City is a duly created and validly existing municipal corporation and public body corporate and politic of the State.

(b) Authorization of Credit Agreement and Related Documents. The City has the power and has taken all necessary action to authorize the execution, delivery and performance of the City's obligations under this Credit Agreement and each of the related documents to which it is a party in accordance with their respective terms. This Credit Agreement has been duly executed and delivered by the City and is, and each of the related documents to which it is a party when executed and delivered will be, legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, reorganization or moratorium or other similar laws affecting creditors' rights generally applicable to the City or by the exercise of judicial discretion in accordance with general equitable principles.

(c) No Impairment. The pledging of the Net Revenues in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution or other proceedings of the City Commission.

(d) Compliance. The City is not in default in the performance of any of the covenants, conditions, agreements or provisions contained herein and no event has occurred which constitutes, or would with the passage of time constitute, a default or "Event of Default" hereunder.

(e) Financial Statements. The financial statements of the City for the year ended September 30, 2024, copies of which have been furnished to the Bank, have been prepared in accordance with generally accepted accounting principles and governmental accounting standards board principles and present fairly the financial condition of the City as of such date and the results of its operations for the period then ended. Since such date, there has been no material adverse change in the financial condition, revenues, properties or operations of the City.

SECTION 14. TAX COMPLIANCE. The City covenants that it shall not use the proceeds of the Series 2026 Bond in any manner which would cause the interest on such Series

2026 Bond to be or become included in gross income for purposes of federal income taxation. The City covenants that neither the City nor any person under its control or direction will make any use of the proceeds of such Series 2026 Bond (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series 2026 Bond to be an "arbitrage bond" within the meaning of the Code, and neither the City nor any other person under its control shall do any act or fail to do any act which would cause the interest on such Series 2026 Bond to become subject to inclusion within gross income for purposes of federal income taxation. The City hereby covenants that it will comply with all provisions of the Code necessary to maintain the exclusion from gross income of interest on the Series 2026 Bond for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

The City covenants to consult with bond counsel, if necessary, to assist the City in determining the appropriate amount of each Advance under the Series 2026 Bond specified in each Requisition submitted pursuant to Section 12(b) hereof. In addition, the City shall provide copies to bond counsel of each Requisition which involves the use of proceeds of the related Advance which results in the aggregate amount of all Advances made by the Bank being greater than \$20,000,000. The City shall also provide bond counsel notice of any prepayments of principal on the Loan.

SECTION 15. NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

City: City of LaBelle, Florida
481 West Hickpochee Avenue
LaBelle, Florida 33935
Attention: Finance Director

Bank: First Bank
301 West Highway 80
LaBelle, Florida 33975
Attention: Tuesday R. Tritt, Senior Vice President & Senior Lender

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 16. EVENTS OF DEFAULT. The following shall be "Events of Default" under this Agreement, and the term "Events of Default" shall mean (except where the context clearly indicates otherwise), whenever such term is used in this Agreement, any one or more of the following events:

- (a) Failure by the City to timely pay any amount due hereunder;
- (b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement, other than under Section 16(a), for

a period of 30 days after the earlier of written notice (i) is received by the City or (ii) was required to have been provided to the Bank pursuant to Section 10(d) hereof, except to the extent some other grace period shall be provided in regard to a covenant, specifying such failure and requesting that it be remedied, is given to the City by the Bank, unless the Bank shall agree in writing to an extension of such time prior to its expiration;

(c) Any warranty, representation or other statement by the City or by an officer or agent of the City contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement is false or misleading in any material adverse respect;

(d) A petition is filed against the City under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and an order for relief is entered or such petition is not dismissed within 60 days of such filing;

(e) The City files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law; or

(f) The City admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidator or trustee) of the City or any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than 60 days.

SECTION 17. REMEDIES. The Bank may sue to protect and enforce any and all rights existing under the laws of the State, of the United States of America, or granted and contained in this Credit Agreement, and to enforce and compel the performance of all duties required by this Credit Agreement or by any applicable laws to be performed by the City, the City Commission or by any officer thereof, and may take all steps to enforce this Credit Agreement to the full extent permitted or authorized by the laws of the State or the United States of America.

In addition, upon the occurrence of an Event of Default, which Event of Default has not been cured prior to the expiration of any applicable cure period, the Bank's obligation to make additional Advances hereunder shall terminate unless and until the Bank reinstates the availability of Advances.

SECTION 18. NO RECOURSE. No recourse shall be had for the payment of the principal of and interest on the Series 2026 Bond or for any claim based on the Series 2026 Bond or on this Credit Agreement, against any present or former member or officer of the City Commission or any person executing the Series 2026 Bond.

SECTION 19. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS; POSTING. In any case where the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Credit Agreement, shall be

other than a Business Day, then such payment or performance shall be made on the succeeding Business Day with the same force and effect as if done on the nominal date provided in this Credit Agreement. All payments received during normal banking hours after 4:00 pm local time at the payment office of the Bank shall be deemed received at the opening of the next banking day.

SECTION 20. DEFEASANCE. If, at any time, the City shall have paid the principal and interest with respect to the Series 2026 Bond and all costs and expenses of the Bank payable under this Credit Agreement, and shall have directed in writing that no further Advances be available, then, and in that event, the pledge of and lien on the Net Revenues in favor of the Bank shall be no longer in effect and the City shall have no further obligation to comply with the covenants contained in Section 10 hereof, but shall still be required to comply with Section 14 hereof.

SECTION 21. AMENDMENTS, CHANGES AND MODIFICATIONS. This Credit Agreement may only be amended by a written instrument executed by the City and the Bank.

SECTION 22. BINDING EFFECT; ASSIGNMENT. To the extent provided herein, this Credit Agreement shall be binding upon the City and the Bank and shall inure to the benefit of the City and the Bank and their respective successors and assigns. The Bank's interests in and rights under this Credit Agreement and the Series 2026 Bond are freely assignable, in whole, by the Bank, subject to the provisions of Section 6 hereof. The City shall not assign its rights and interest hereunder without the prior written consent of the Bank, and any attempt by the City to assign without the Bank's prior written consent is null and void. Any assignment shall not release the City from its obligations hereunder or under the Series 2026 Bond.

SECTION 23. ADDITIONAL PROVISIONS.

(a) Severability. In the event any provision of this Credit Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(b) Patriot Act Notice. To help 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 purposes of this section, account shall be understood to include loan accounts.

(c) Telephone Communication Monitoring. The City agrees that the City's telephone communications with the Bank may be monitored and/or recorded to improve customer service and security.

(d) Final Agreement. This Credit Agreement and the Series 2026 Bond represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent agreements of the parties. There are no unwritten agreements between the parties regarding the matters herein.

(e) Execution In Counterparts. This Credit Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(f) Applicable Law and Venue. This Credit Agreement shall be governed by and construed in accordance with the laws of the State. Proceedings commenced by the parties arising out of this Credit Agreement or any of the transactions relating hereto must be brought exclusively in the federal or state courts located in Hendry County, Florida. The parties irrevocably and unconditionally submit to the jurisdiction of such courts and agree to take any and all future action necessary to submit to the jurisdiction of such courts.

SECTION 24. WAIVER OF JURY TRIAL. To the extent permitted by applicable law, each of the City and the Bank knowingly, voluntarily and intentionally waives any right each may have to a trial by jury in respect of any litigation based on, or arising out of, under or in connection with this Credit Agreement, the Series 2026 Bond or any agreement contemplated to be executed in connection with this Credit Agreement, or any course of conduct, course of dealing, statements (whether verbal or written) or actions or omissions of any party with respect hereto. This provision is a material inducement to the Bank to enter into this Credit Agreement.

SECTION 25. EFFECTIVE DATE. This Credit Agreement shall become effective as of the date hereof.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO CREDIT AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have duly executed this Credit Agreement as of the date first above written.

CITY OF LABELLE, FLORIDA

(SEAL)

By: _____
Julie C. Wilkins, Mayor

ATTEST:

Tijuana Warner, MPA, MMC
Its: Deputy City Clerk

FIRST BANK

By: _____
Tuesday R. Tritt, Senior Vice President

EXHIBIT A

DESCRIPTION OF 2026 PROJECT

The acquisition and construction of certain capital projects in and for the City, related to water and sewer utility projects eligible for State Revolving Fund funding and/or grant reimbursement.

EXHIBIT B

FORM OF SERIES 2026 BOND

NO. 1

CITY OF LABELLE, FLORIDA
WATER AND SEWER REVOLVING CREDIT BOND, SERIES 2026

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUE</u>
4.10%, subject to change, as described below	_____ 1, 2030	_____, 2026

REGISTERED OWNER: FIRST BANK (the "Bank")

AUTHORIZED AMOUNT: TWENTY MILLION DOLLARS AND NO CENTS

The City of LaBelle, Florida (the "City"), for value received, hereby promises to pay to the Registered Owner on the Maturity Date specified above, so much of the Authorized Amount hereof as shall have been advanced hereunder and remains outstanding on such date (the "Outstanding Principal"), plus interest on the amount of each Advance hereunder from the date of the Advance at the rate of interest described herein until repayment of such amount, such interest to be calculated as set forth in the Credit Agreement referenced below and payable monthly, on the first day of each month, commencing on _____ 1, 2026. On the Maturity Date, the City will pay the Registered Owner all Outstanding Principal and all accrued unpaid interest thereon.

This Series 2026 Bond shall bear interest on the amount of Outstanding Principal at the Interest Rate, subject to adjustment as set forth in the Credit Agreement.

This Series 2026 Bond may be prepaid in whole or in part as set forth in the Credit Agreement. Principal of and interest on this Series 2026 Bond are payable in immediately available funds constituting lawful money of the United States of America at such place (the "Payment Office of the Bank") as the Bank may designate to the City.

This Series 2026 Bond is issued under the authority of Chapter 166, Part II, Florida Statutes, the City Charter of the City of LaBelle, Florida, and other applicable provisions of law, and pursuant and subject to the terms and conditions of a Revolving Credit Agreement, dated _____, 2026 (the "Credit Agreement"), between the City and the Bank, to which reference should be made to ascertain those terms and conditions. Capitalized terms not defined herein have the meanings ascribed to them in the Credit Agreement.

Pursuant to the Credit Agreement, the City may borrow, and the Bank may advance under this Series 2026 Bond from time to time until the maturity hereof (each an "Advance" and together the "Advances"), so long as the total principal amount outstanding hereunder at any one time does not exceed the Authorized Amount. The Bank's obligation to make Advances under this Series

2026 Bond shall be suspended for such time as the City is in default (without regard to any applicable grace period) under the Credit Agreement. As of the date of each proposed Advance, the City shall be deemed to represent that each representation made in the Credit Agreement is true as of such date.

This Series 2026 Bond and the interest hereon are payable from and secured solely by a lien upon and a pledge of the Net Revenues, junior and subordinate in all respects to the Senior Obligations, and on a parity with the Parity Obligation, subject to the application thereof for the purposes and on the conditions permitted by the Credit Agreement.

This Series 2026 Bond shall not constitute a general obligation or indebtedness of the City, and the Bank shall never have the right to require or compel the levy of taxes on any property of or in the City for the payment of the principal of and interest on this Series 2026 Bond. This Series 2026 Bond shall not constitute a lien upon the 2026 Project, or upon any property of or in the City, but shall be payable solely from the Net Revenues in the manner provided in the Credit Agreement. Reference is made to the Credit Agreement for the provisions relating to the security for payment of this Series 2026 Bond and the duties and obligations of the City hereunder.

The City, to the extent permitted by law, hereby waives presentment, demand, protest and notice of dishonor.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Florida to happen, exist and be performed precedent to and in the issuance of this Series 2026 Bond, have happened, exist and have been performed in regular and due from and time as so required.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, City Commission of the City of LaBelle, Florida has caused this Series 2026 Bond to be executed by the Mayor, and attested by its Clerk-Commissioner, either manually or with their facsimile signatures, and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, and this Series 2026 Bond to be dated as of _____, 2026.

CITY OF LABELLE, FLORIDA

(SEAL)

By: _____
Julie C. Wilkins, Mayor

ATTEST:

Tijuana Warner, MPA, MMC
Its: Deputy City Clerk

EXHIBIT C

FORM OF REQUISITION

REQUISITION NO.: _____

DATE OF ADVANCE: _____

PRINCIPAL AMOUNT: _____ DOLLARS

ADVANCED UNDER: Water and Sewer Revolving Credit Bond, Series 2026

AVAILABLE CREDIT: _____ DOLLARS

TO: FIRST BANK

You are hereby authorized and directed, pursuant to the provisions of the Revolving Credit Agreement, dated as of _____, 2026 (the "Revolving Credit Agreement"), between the City of LaBelle, Florida (the "City") and First Bank (the "Bank") and that certain Water and Sewer Revolving Credit Bond, Series 2026 Bond, dated _____, 2026, issued by the City (the "Series 2026 Bond"), to advance the above referenced Principal Amount, which advance shall be recorded on books and records of the Bank, and thereby become a portion of the principal due and owing under said Series 2026 Bond. By this requisition, you are hereby authorized and empowered to deposit into the account of the City specified below the amount hereof without any further action on the part of the City.

The proceeds of the Advance will be used to pay for costs related to the capital improvements described in Schedule I attached hereto. Use of the proceeds is in compliance with Section 14 of the Revolving Credit Agreement and the Certificate as to Arbitrage and Certain Other Tax Matters, dated _____, 2026. [Indicate whether this Advance will result in the aggregate amount of all Advances made by the Bank being greater than \$20,000,000.]

All approvals, consents, authorizations and orders of the City and any other governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the performance by the City in order to commence and complete the 2026 Project to be paid for by this advance have been obtained and are in full force and effect.

No Determination of Taxability or Event of Default described in such Revolving Credit Agreement has occurred and is continuing.

CITY OF LABELLE, FLORIDA

By: _____
[Mayor][City Clerk]

City Account Information:

SCHEDULE I

DESCRIPTION OF USE OF PROCEEDS