



City of LaBelle, Florida

Summary of Indicative Terms

2/13/2026

United Community Bank (“Bank”), on behalf of itself and any designated affiliate (individually and collectively, “Lender”) is pleased to provide this Summary of Indicative Terms (“Term Sheet”) for discussion. This Term Sheet is a basic outline of the potential terms on which Lender would consider providing or arranging the loan described below. This is not an offer, agreement, or commitment by Lender to lend. Lender will not be bound to any agreement unless or until Lender’s authorized representative signs definitive loan documentation stating that it constitutes the entire understanding and agreement of the parties as to the matters set forth therein. If the terms of a financing transaction are ultimately approved and agreed by Lender, the definitive loan documentation will contain other customary provisions, including, without limitation, representations and warranties, covenants, conditions, specified events of default and other provisions, all of which must be satisfactory to Lender in all respects.

Borrower:	City of LaBelle, Florida (the “City”)
Lender:	Bank or United Community Public Finance, Inc., as designated in advance of closing
Loan:	Water and Sewer Utility Line of Credit in an amount up to \$20,000,000.
Use of Proceeds:	Proceeds will be used to provide the City with an interim funding source to pay costs related to utility projects eligible for Grant reimbursement, along with paying the 2026 LOC costs of issuance. Some of these capital projects include critical drinking water treatment expansion and distribution system upgrades, a new wastewater treatment facility, and funding of the City’s septic to sewer conversion.
Security:	The 2026 LOC will be secured by a subordinate pledge of gross revenues of the City’s Water and Sewer System and a subordinate pledge of the estimated \$107,325,983 of water and sewer related Grants the City will receive from the Department of Environmental Protection (DEP) and the Supplemental Appropriation for Hurricane Fiona and Ian (SAHFI), along with other potential funding sources.

	The 2026 LOC will be subordinate to the Senior Revenue Obligations (USDA Water and Sewer Revenue Bonds, Series 2013; USDA Water and Sewer Revenue Refunding Bonds, Series 2022), and on parity with the City’s outstanding State Revolving Fund Loan.
Guarantor(s):	None
Maturity:	Option 1: 36-month term Option 2: 48-month term
Repayment:	Interest will be paid monthly, on the 1st day of each month, anticipated to commence on April 1, 2026. Principal due at maturity. No prepayment penalty.
Interest Rate:	Option 1 & 2: 79% of (1 month Term SOFR + 130bps). Accrual Basis: 30/360 or another agreed upon basis.
Expenses and Fees:	None.
Financial and Other Covenants:	<ul style="list-style-type: none"> • Annual Financial Statements within 210 days of fiscal year end. • Annual budget within 60 days of adoption. <p>*Or within a time period mutually agreed upon by the City and the Bank.</p>
Conditions Precedent and Other Terms:	<ol style="list-style-type: none"> 1. Borrower’s Counsel Opinion: An opinion of Borrower’s counsel covering matters customary to transactions such as this and in all respects acceptable to the Bank, Lender and its counsel. 2. Bond Counsel Opinion: An approving opinion of bond counsel related to the loan in form and substance satisfactory to the Lender and for Tax-Exempt options, shall include, without limitation, an opinion delivered at the time of conversion that the interest rate on the loan is excludable from gross income for Federal income tax purposes. 3. Other Items: Lender shall have received such other documents, instruments, approvals or opinions as may be reasonably requested.

	4. Opportunity to discuss non-credit relationship needs with the City.
Lender’s Legal Counsel:	Estimated lender legal fees for the closing of the loan will not exceed \$8,500. All legal fees shall be paid by the Borrower whether or not the Loan described herein is closed.
Governing Law & Jurisdiction:	State of Florida
Municipal Advisor Disclosure:	<p>Please note: (i) the transaction contemplated herein is an arm's length commercial transaction between Borrower and the Lender, (ii) in connection with such transaction, the Lender is acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent, or a fiduciary of Borrower, (iii) to the extent applicable, Bank is relying on the bank exemption in the Municipal Advisor Rules (or such other applicable exemptions, including as it relates to general information), (iv) Lender has not provided any advice or assumed any advisory or fiduciary responsibility in favor of Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto, (v) Lender has financial and other interests that differ from those of Borrower, and (vi) Borrower has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate (including any Municipal Advisors). Nothing herein is intended to serve as legal, tax or accounting advice. Borrower may be required to certify to the foregoing in a closing certificate. Before acting on the information or material contained herein, the Borrower should seek the advice of an IRMA and any other professional advisors which it deems appropriate for the Loan described herein, especially with respect to any legal, regulatory, tax or accounting treatment.</p>
Patriot Act:	Pursuant to the requirements of the Patriot Act, the Lender and its affiliates are required to obtain, verify and record information that identifies loan obligors, which information includes name, address, tax identification number and other information regarding

	obligors that will allow the Lender to identify obligors in accordance with the Patriot Act, and the Lender is hereby so authorized. This notice is given in accordance with the requirements of the Patriot Act and is effective for the Lender and its affiliates.
Expiration Date:	This Term Sheet shall expire on 3/17/2026 unless a formal commitment letter has been issued prior to such date.

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