

RESOLUTION NO. 2024-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF HERNANDO COUNTY, FLORIDA AUTHORIZING THE EXTENSION OF THE EXPIRATION DATE OF THE COUNTY'S EXISTING LINE OF CREDIT WITH TRUIST EQUIPMENT FINANCE CORP. (FORMERLY KNOWN AS SUNTRUST EQUIPMENT FINANCE & LEASING CORP.); AUTHORIZING THE EXECUTION OF A THIRD AMENDMENT TO LINE OF CREDIT AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF HERNANDO COUNTY, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 125, Florida Statutes, and other applicable provisions of law.

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

(A) Hernando County, Florida (the "County") and Truist Equipment Finance Corp. (formerly known as SunTrust Equipment Finance & Leasing Corp.) (the "Noteholder") previously executed and delivered a Line of Credit Agreement, dated as of March 11, 2020, the expiration date of which has been extended from time to time (the "Agreement").

(B) Pursuant to the Agreement, the Noteholder's commitment to honor draws expired on March 11, 2024.

(C) The County and the Noteholder mutually desire to amend the Agreement and extend such expiration date to a date which is no later than March 11, 2026.

SECTION 3. AUTHORIZATION OF EXTENSION. The County hereby authorizes the extension of the date on which draws may be made pursuant to the Agreement to a date no later than March 11, 2026, which specific date shall be determined by the Clerk and the Noteholder prior to the execution of the herein described Second Amendment to Line of Credit Agreement.

SECTION 4. APPROVAL OF FORM OF THIRD AMENDMENT TO LINE OF CREDIT AGREEMENT. The terms and provisions of the Third Amendment to Line of Credit Agreement in substantially the form attached hereto as Exhibit A are

hereby approved, with such changes, insertions and additions as the Chairman and Clerk may approve. The County hereby authorizes the Chairman to execute and deliver, and the Clerk to attest and affix the County seal to, the Third Amendment to Line of Credit Agreement in substantially the form attached hereto as Exhibit A, with such changes, insertions and additions as they may approve, their execution thereof being evidence of such approval.

SECTION 5. GENERAL AUTHORIZATION. The Chairman, the Clerk, the County Administrator and the Finance Director are authorized to execute and deliver such documents, instruments and contracts, whether or not expressly contemplated hereby, and the County Attorney, Bond Counsel and other employees or agents of the County are hereby authorized and directed to do all acts and things required hereby or thereby as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution.

SECTION 6. AGREEMENT TO CONTINUE IN FORCE. Except as expressly provided in the Third Amendment to Line of Credit Agreement, the Agreement and all the terms and provisions thereof are and shall remain in full force and effect.

SECTION 7. REPEAL OF INCONSISTENT DOCUMENTS. All prior ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

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SECTION 8. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 3rd day of December, 2024.

HERNANDO COUNTY, FLORIDA

(SEAL)

Chairman, Board of County Commissioners

ATTEST:

Clerk of Court and Comptroller and Ex-
Officio Clerk to the Board of County
Commissioners

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:



County Attorney's Office

EXHIBIT A

FORM OF THIRD AMENDMENT TO LINE OF CREDIT AGREEMENT

THIRD AMENDMENT TO LINE OF CREDIT AGREEMENT

THIS THIRD AMENDMENT TO LINE OF CREDIT AGREEMENT (this "Amendment"), dated as of December __, 2024, is made and entered into by and between HERNANDO COUNTY, FLORIDA, a political subdivision of the State of Florida duly organized and existing under the laws of the State of Florida (the "County"), and TRUIST EQUIPMENT FINANCE CORP. (formerly known as SunTrust Equipment Finance & Leasing Corp.), a corporation duly organized and existing under the laws of the State of Georgia and authorized to do business in the State of Florida, and its successors and assigns (the "Noteholder"). All capitalized terms used herein without definition shall have the same meanings herein as such terms are defined in the Agreement (hereinafter defined).

RECITALS

A. Pursuant to that certain Line of Credit Agreement dated as of March 11, 2020 (as amended, supplemented, modified or restated prior to the date hereof, the "Agreement") between the County and the Noteholder, the commitment of the Noteholder to honor Draws thereunder may be extended upon the mutual written agreement of the County and the Noteholder; and

B. The County and the Noteholder desire to amend the Agreement to extend the Draw Expiration Date and make certain changes therein;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. The Draw Expiration Date is hereby extended to March 11, 2026.
2. As of the date of this Amendment, the remaining aggregate principal amount of the Master Notes available to be drawn upon by the County is \$8,231,244.00.

3. The Agreement is hereby amended as follows:

(a) The definition of the term "Taxable Draw Rate Factor" in Section 1.01 is hereby amended and restated as follows:

"Taxable Draw Rate Factor" shall mean:

- (i) In the case of a Draw with a 3-Year Loan Term, 123 basis points (1.23%);
- (ii) In the case of a Draw with a 5-Year Loan Term, 142 basis points (1.42%);

(iii) In the case of a Draw with a 7-Year Loan Term, 150 basis points (1.50%);

(iv) In the case of a Draw with a 10-Year Loan Term, 154 basis points (1.54%);

(v) In the case of a Draw with a 15-Year Loan Term, 154 basis points (1.54%);

The Taxable Draw Rate Factor for any Draw may be adjusted by the Noteholder prior to the date of the Draw to reflect any variation in interest rate swap costs (and any liquidity premium related thereto) from October 22, 2024, so as to preserve the original economic return to the Noteholder as contemplated as of such date. The Taxable Draw Rate Factor may also be adjusted if there is a material adverse change in the credit worthiness of the County. The Noteholder will advise the County of the Taxable Draw Rate Factor for any contemplated Draw upon request. Once so adjusted, the Taxable Draw Rate Factor will be fixed for the applicable Loan Term."

(b) The definition of the term "Taxable Interest Rate" in Section 1.01 is hereby amended and restated as follows:

"Taxable Interest Rate" shall mean:

(i) In the case of a Draw with a 3-Year Loan Term, a fixed rate of interest that is equal to 100% of the 2-Year H-15 Treasury Constant Maturities Index, plus the applicable Taxable Draw Rate Factor;

(ii) In the case of a Draw with a 5-Year Loan Term, a fixed rate of interest that is equal to 100% of the 3-Year H-15 Treasury Constant Maturities Index, plus the applicable Taxable Draw Rate Factor;

(iii) In the case of a Draw with a 7-Year Loan Term, a fixed rate of interest that is equal to 100% of the 5-Year H-15 Treasury Constant Maturities Index, plus the applicable Taxable Draw Rate Factor;

(iv) In the case of a Draw with a 10-Year Loan Term, a fixed rate of interest that is equal to 100% of the 7-Year H-15 Treasury Constant Maturities Index, plus the applicable Taxable Draw Rate Factor;

(v) In the case of a Draw with a 15-Year Loan Term, a fixed rate of interest that is equal to 100% of the 10-Year H-15 Treasury Constant Maturities Index, plus the applicable Taxable Draw Rate Factor."

(c) The definition of the term "Tax-Exempt Draw Rate Factor" in Section 1.01 is hereby amended and restated as follows:

"Tax-Exempt Draw Rate Factor" shall mean:

(i) In the case of a Draw with a 3-Year Loan Term, 109 basis points (1.09%);

(ii) In the case of a Draw with a 5-Year Loan Term, 123 basis points (1.23%);

(iii) In the case of a Draw with a 7-Year Loan Term, 129 basis points (1.29%);

(iv) In the case of a Draw with a 10-Year Loan Term, 132 basis points (1.32%);

(v) In the case of a Draw with a 15-Year Loan Term, 132 basis points (1.32%);

The Tax-Exempt Draw Rate Factor for a Draw for a 15-Year Loan Term shall be subject to the Noteholder's written consent. The Tax-Exempt Draw Rate Factor for any Draw may be adjusted by the Noteholder prior to the date of the Draw to reflect any variation in interest rate swap costs (and any liquidity premium related thereto) from October 22, 2024, so as to preserve the original economic return to the Noteholder as contemplated as of such date. The Tax-Exempt Draw Rate Factor may also be adjusted if there is a material adverse change in the credit worthiness of the County. The Noteholder will advise the County of the Tax-Exempt Draw Rate Factor for any contemplated Draw upon request. Once so adjusted, the Tax-Exempt Draw Rate Factor will be fixed for the applicable Loan Term."

(d) The definition of the term "Taxable-Exempt Interest Rate" in Section 1.01 is hereby amended and restated as follows:

"Tax-Exempt Interest Rate" shall mean:

(i) In the case of a Draw with a 3-Year Loan Term, a fixed rate of interest that is equal to 78.3515% of the 2-Year H-15 Treasury Constant Maturities Index, plus the applicable Tax-Exempt Draw Rate Factor;

(ii) In the case of a Draw with a 5-Year Loan Term, a fixed rate of interest that is equal to 78.3515% of the 3-Year H-15 Treasury Constant Maturities Index, plus the applicable Tax-Exempt Draw Rate Factor;

(iii) In the case of a Draw with a 7-Year Loan Term, a fixed rate of interest that is equal to 78.3515% of the 5-Year H-15 Treasury Constant Maturities Index, plus the applicable Tax-Exempt Draw Rate Factor;

(iv) In the case of a Draw with a 10-Year Loan Term, a fixed rate of interest that is equal to 78.3515% of the 7-Year H-15 Treasury Constant Maturities Index, plus the applicable Tax-Exempt Draw Rate Factor;

(v) In the case of a Draw with a 15-Year Loan Term, a fixed rate of interest that is equal to 78.3515% of the 10-Year H-15 Treasury Constant Maturities Index, plus the applicable Tax-Exempt Draw Rate Factor."

(e) The definitions of the terms "2 Year H-15 Swap Index," "3-Year H-15 Swap Index," "4-Year H-15 Swap Index," "5-Year H-15 Swap Index," and "10-Year H-15 Swap Index" in Section 1.01 of the Agreement are hereby deleted.

(f) Section 1.01 of the Agreement is hereby amended by adding the following definitions:

"2-Year H-15 Treasury Constant Maturities Index" shall mean the most recent rate designated as the 2-year constant maturities index rate under H.15 Selected Interest Rates published by the Federal Reserve on the fifth (5th) business day immediately prior to the Date of issuance of the corresponding Draw."

"3-Year H-15 Treasury Constant Maturities Index" shall mean the most recent rate designated as the 3-year constant maturities index rate under H.15 Selected Interest Rates published by the Federal Reserve on the fifth (5th) business day immediately prior to the Date of issuance of the corresponding Draw."

"5-Year H-15 Treasury Constant Maturities Index" shall mean the most recent rate designated as the 5-year constant maturities index rate under H.15 Selected Interest Rates published by the Federal Reserve on the fifth (5th) business day immediately prior to the Date of issuance of the corresponding Draw."

"7-Year H-15 Treasury Constant Maturities Index" shall mean the most recent rate designated as the 7-year constant maturities index rate under H.15 Selected Interest Rates published by the Federal Reserve on the fifth (5th) business day immediately prior to the Date of issuance of the corresponding Draw."

"10-Year H-15 Treasury Constant Maturities Index" shall mean the most recent rate designated as the 10-year constant maturities index rate under H.15 Selected Interest Rates published by the Federal Reserve on the fifth (5th) business day immediately prior to the Date of issuance of the corresponding Draw."

(g) Section 2.01(f) of the Agreement is hereby amended by adding the following at the end of such section:

"As used herein, (i) the term "material adverse change" means any circumstance or circumstances which would reasonably be expected to have a material adverse effect on the ability of the County to perform under this Agreement or the rights or benefits available to Noteholder under this Agreement."

(h) Section 4.01 of the Agreement is hereby amended by adding the following sentence to the end of such section as subsection (f):

"(f) Notwithstanding any other provision of this Agreement, any proposed Draw for a 15-Year Loan Term shall be subject to the prior written consent of the Noteholder in its sole discretion."

4. The effectiveness of this Amendment is subject to the satisfaction of all of the following conditions precedent.

(a) The County and the Noteholder shall have executed and delivered this Amendment.

(b) Legal matters incident to the execution and delivery of this Amendment shall be satisfactory to the Noteholder and its counsel.

(c) The Noteholder shall have received copies (executed or certified, as may be appropriate) of all legal documents or proceedings taken in connection with the execution and delivery of this Amendment to the extent the Noteholder or its counsel may reasonably request.

5. In order to induce the Noteholder to execute and deliver this Amendment, the County hereby represents to the Noteholder that as of the date hereof, the representations and warranties set forth in Article II of the Agreement are true and correct and the County is in full compliance with all of the terms and conditions of the Agreement and no Event of Default or event which with the passage of time, the giving of notice or both would constitute an Event of Default has occurred and is continuing under the Agreement or shall result upon giving effect to this Amendment.

6. Except as specifically amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this specific Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

7. Notwithstanding any other provisions of this Amendment, the County's payment obligations and its covenant obligations under the Agreement shall remain in full force and effect and shall not be affected, impaired, amended or discharged hereby.

8. The Noteholder and the County hereby waive any other conditions required by the Agreement to extend the Draw Expiration Date.

9. This Amendment may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Amendment by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. This Amendment shall be governed by the internal laws of the State of Florida.

10. By its execution and delivery of this Amendment, the Noteholder agrees and acknowledges all conditions precedent set forth in Article 3 have been satisfied.

[Signature Pages Follow]

[SIGNATURE PAGE TO THIRD AMENDMENT TO LINE OF CREDIT AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective duly authorized officers as of the date first above written.

(SEAL)

HERNANDO COUNTY, FLORIDA

By: _____
Chairman, Board of County Commissioners

ATTEST:

By: _____
Clerk of Court and Comptroller and Ex-
Officio Clerk to the Board of County
Commissioners

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: _____
County Attorney's Office

TRUIST EQUIPMENT FINANCE CORP.

By: _____
Name: _____
Title: _____