

Lakewood Ranch Stewardship District

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www.lakewoodranchstewardship.com

**BOARD OF SUPERVISORS
LAKEWOOD RANCH
STEWARDSHIP DISTRICT**

**Friday, August 3, 2018, 9:00 a.m.
Schroeder-Manatee Ranch, Inc.
14400 Covenant Way
Lakewood Ranch, FL 34202**

For those unable to attend in person, the call-in information for the meeting is as follows:

Number: 1-877-864-6450

Passcode: 766435

BOARD OF SUPERVISORS SPECIAL MEETING AGENDA

Call to Order / Roll Call

- Public Comment Period *[for any members of the public desiring to speak on any proposition before the Board]*

Business Matters

1. Consideration of Financing Matters Relative to the NE Sector Bonds (Phase 1A)

A. Resolution 2018-21, Delegation Resolution

- **Eighteenth Supplemental Indenture**
- **Bond Purchase Contract** *(provided under separate cover)*
- **Preliminary Limited Offering Memorandum** *(provided under separate cover)*
- **Continuing Disclosure Agreement** *(provided under separate cover)*

B. Other Matters *(provided under separate cover)*

Other Business

2. Staff Reports

- Manager's Report
 - Attorney's Report
 - Engineer's Report
- Audience Comments
 - Adjournment



**LAKEWOOD RANCH
STEWARDSHIP DISTRICT**

Financing Matters Relative to the NE Sector Bonds
(Phase 1A)

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**LAKEWOOD RANCH
STEWARDSHIP DISTRICT**

Resolution 2018-21, Delegation Resolution

RESOLUTION 2018-21

A RESOLUTION OF LAKEWOOD RANCH STEWARDSHIP DISTRICT SUPPLEMENTING ITS RESOLUTION 2005-16 BY AUTHORIZING THE ISSUANCE OF AND AWARDING THE SALE OF NOT EXCEEDING \$15,000,000 PRINCIPAL AMOUNT OF LAKEWOOD RANCH STEWARDSHIP DISTRICT SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018 (NORTHEAST SECTOR PROJECT - PHASE 1A) FOR THE PURPOSES DESCRIBED HEREIN; DETERMINING THE NEED FOR A NEGOTIATED SALE OF SUCH BONDS AND DELEGATING TO THE CHAIRMAN OR VICE CHAIRMAN OF THE BOARD OF SUPERVISORS OF THE DISTRICT SUBJECT TO COMPLIANCE WITH THE APPLICABLE PROVISIONS HEREOF, THE AUTHORITY TO AWARD THE SALE OF SUCH BONDS TO MBS CAPITAL MARKETS, LLC BY EXECUTING AND DELIVERING TO SUCH UNDERWRITER A BOND PURCHASE CONTRACT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF THE EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE AND APPOINTING AND APPROVING U.S. BANK NATIONAL ASSOCIATION, AS THE TRUSTEE, BOND REGISTRAR AND PAYING AGENT THEREUNDER; MAKING CERTAIN FINDINGS; APPROVING THE FORM OF SAID BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; APPROVING THE FORM OF AND THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT; AUTHORIZING CERTAIN OFFICIALS OF LAKEWOOD RANCH STEWARDSHIP DISTRICT AND OTHERS TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS INCLUDING THE EXECUTION OF THE CONTINUING DISCLOSURE AGREEMENT; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT TO SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Lakewood Ranch Stewardship District (the "District") is authorized by the Lakewood Ranch Stewardship District Act, Chapter 2005-338, Laws of Florida, as amended by Chapter 2009-263 and Chapter 2018-178, Laws of Florida (collectively the "Act") to issue its bonds for the purpose of acquiring and constructing public improvements and community facilities all as provided in the Act; and

WHEREAS, the District is authorized by the Act to make payments of principal, interest, and premium, if any, with respect to such bonds by levying and collecting special assessments on property located within the District and benefited by the assessable improvements financed with certain proceeds of the Bonds (hereinafter defined); and

WHEREAS, the District pursuant to its Resolution 2005-16 (the "First Resolution") authorized the issuance of its not exceeding \$4,000,000,000 principal amount of its special assessment revenue bonds (the "Bonds") in separate series for the purposes set forth in said First Resolution; and

WHEREAS, the District now desires to authorize the issuance of and award the sale of its Special Assessment Revenue Bonds, Series 2018 (Northeast Sector Project - Phase 1A) in a principal amount not exceeding \$15,000,000 (collectively, the "2018 Bonds"), to approve the Supplemental Indenture (hereinafter defined) and to provide for various other matters relating to the issuance of the 2018 Bonds; and

WHEREAS, this Resolution is supplemental to the First Resolution; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF LAKEWOOD RANCH STEWARDSHIP DISTRICT, as follows:

SECTION 1. Definitions. All words and phrases used herein in capitalized form, unless otherwise defined herein, shall have the meaning ascribed to them in the Indenture (hereinafter defined).

SECTION 2. Authorization. There is hereby authorized to be issued not exceeding \$15,000,000 principal amount of 2018 Bonds. The 2018 Bonds shall be issued under and secured by the Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture"), as supplemented by that certain Eighteenth Supplemental Trust Indenture dated as of August 1, 2018 or such other date as is mutually agreeable to the District and the Underwriter (the "Supplemental Indenture"), both by and between the District and U.S. Bank National Association, as trustee, (the "Trustee") (the Master Indenture and the Supplemental Indenture referred to collectively as the "Indenture"). By this reference the Indenture is incorporated in this Resolution as if set forth in full herein. The proceeds of the 2018 Bonds shall be used for the purposes set forth in the Supplemental Indenture and the Bond Purchase Contract (hereinafter defined).

SECTION 3. Approval of Supplemental Indenture and Authorization of Execution and Delivery Thereof. The Supplemental Indenture is hereby approved in substantially the form set forth as part of Exhibit A hereto and the Chairman or the Vice Chairman of the Board are hereby authorized and directed to execute and deliver such Indenture on behalf of and in the name of the District and the Secretary or any Assistant Secretary of the Board is hereby authorized to attest such execution, with such additions and deletions therein as may be made and approved by the Chairman or the Vice Chairman executing the same, such execution to be conclusive evidence of such approval. The Trustee is hereby approved to serve as Trustee, Bond Registrar and Paying Agent under such Indenture.

SECTION 4. Negotiated Sale. The Board hereby determines that a negotiated sale of the 2018 Bonds to the Underwriter, is in the best interests of the District because of prevailing market conditions, because delays caused by soliciting competitive bids could adversely affect the District's ability to issue and deliver the 2018 Bonds at presently favorable interest rates, and

because the nature of the security for the 2018 Bonds and the sources of payment of debt service on the 2018 Bonds requires the participation of an underwriter in structuring the Bond issue.

SECTION 5. Bond Purchase Contract Approved. The Board hereby approves the Bond Purchase Contract (the "Contract") submitted by the Underwriter in substantially the form attached as Exhibit B hereto. The Chairman or Vice Chairman of the Board is hereby authorized to execute the Contract and to deliver the Contract to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the executing Chairman or Vice Chairman; provided, however, that (i) the principal amount of the 2018 Bonds shall not exceed \$15,000,000, (ii) the net interest cost shall not exceed the maximum allowable by Florida law, (iii) the 2018 Bonds shall be subject to optional redemption no later than May 1, 2030, shall have a maturity date no later than May 1, 2050, and shall have a redemption price not greater than 100%, and (iv) the underwriter's discount shall not exceed two percent (2.00%) of the principal amount of the 2018 Bonds. Execution by the Chairman or Vice Chairman of the Contract shall be deemed to be conclusive evidence of approval of such changes.

SECTION 6. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The District hereby approves the form of the Preliminary Limited Offering Memorandum submitted to this meeting and attached hereto as Exhibit C and authorizes its distribution and use in connection with the limited offering for the sale of the 2018 Bonds. If between the date hereof and the mailing of the Preliminary Limited Offering Memorandum it is necessary to make insertions, modifications and changes to the Preliminary Limited Offering Memorandum, the Chairman or Vice Chairman is hereby authorized to approve such insertions, changes and modifications, and, the Chairman or Vice Chairman is hereby authorized to deem the Preliminary Limited Offering Memorandum "final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") under the Securities Exchange Act of 1934, in the form as mailed. The preparation of a final Limited Offering Memorandum is hereby approved and the Chairman or Vice Chairman is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the 2018 Bonds and, upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the 2018 Bonds. The Limited Offering Memorandum shall be substantially in the form of the final Preliminary Limited Offering Memorandum, with such changes as shall be approved by the Chairman or Vice Chairman as necessary to conform to the details of the 2018 Bonds and such other insertions, modifications and changes as may be approved by the Chairman or Vice Chairman. The execution and delivery of the Limited Offering Memorandum by the Chairman shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the information contained therein in connection with the offering and sale of the 2018 Bonds.

SECTION 7. Form of Bonds. The 2018 Bonds shall be in substantially the form as set forth in the exhibit to the Supplemental Indenture, with such additions, deletions and other changes thereto as the officials of the Board executing the 2018 Bonds shall approve, such approval to be conclusively evidenced by the execution of the 2018 Bonds (by manual or facsimile signature) by

such officials. The Board hereby authorizes and approves the use of a facsimile of the District seal on the 2018 Bonds.

SECTION 8. Continuing Disclosure Agreement. The form and content of the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") relating to the 2018 Bonds attached hereto as Exhibit D is hereby approved. The Chairman or Vice Chairman and the Secretary or any Assistant Secretary are hereby authorized to execute on behalf of the District the Continuing Disclosure Agreement in substantially the form attached hereto, with such additions, deletions, and other changes as may be necessitated by applicable law, the Resolution and the Contract as such officers may approve (such approval to be conclusively evidenced by their execution of the Continuing Disclosure Agreement).

SECTION 9. Application of 2018 Bond Proceeds. Proceeds of the 2018 Bonds, shall be applied as provided in the Supplemental Indenture.

SECTION 10. Open Meetings. It is hereby found and determined that all official acts of this Board concerning and relating to the issuance, sale, and delivery of the 2018 Bonds, including but not limited to adoption of this Resolution, were taken in open meetings of the members of the Board and all deliberations of the members of the Board that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements including, but not limited to, the requirement of Florida Statutes, Section 286.011.

SECTION 11. Other Actions. The Chairman, the Vice Chairman, the Secretary and any Assistant Secretary of the District and Fishkind & Associates, Inc., as the District Manager and Fishkind & Associates, Inc. as District Financial Consultant, and any authorized designee thereof (collectively, the "District Officers"), Bryant Miller Olive P.A., as Bond Counsel, Hopping Green & Sams P.A., as General Counsel to the District, and Stantec Consulting Services, Inc., as District Engineer, are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the 2018 Bonds and the consummation of all transactions in connection therewith. The District Officers are hereby authorized and directed to execute all necessary or desirable certificates, documents, papers, and agreements and the undertaking and fulfillment of all transactions referred to in or contemplated by the Indenture, the Preliminary Limited Offering Memorandum, the Bond Purchase Contract, this Resolution, the Continuing Disclosure Agreement and the Contract.

SECTION 12. Approval of Prior Actions. All actions taken to date by the members of the Board and the officers, agents, and employees of the District in furtherance of the issuance of the Bonds are hereby approved, confirmed and ratified.

SECTION 13. Inconsistent Resolutions and Motions. All prior resolutions of the Board inconsistent with the provisions of this Resolution are hereby modified, supplemented and amended to conform with the provisions herein contained and, except as so modified, supplemented and amended hereby, shall remain in full force and effect.

SECTION 14. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

SECTION 15. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 3rd day of August, 2018.

LAKWOOD RANCH STEWARDSHIP DISTRICT

[SEAL]

By: _____
Chairman, Board of Supervisors

ATTEST:

By: _____
Secretary

EXHIBIT A

FORM OF EIGHTEENTH SUPPLEMENTAL INDENTURE

EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE

BETWEEN

LAKWOOD RANCH STEWARDSHIP DISTRICT

AND

U.S. BANK NATIONAL ASSOCIATION,

AS TRUSTEE

Dated as of August 1, 2018

Securing

\$ _____

**Lakewood Ranch Stewardship District
Special Assessment Revenue Bonds, Series 2018
(Northeast Sector Project – Phase 1A)**

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EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE

THIS EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE (the "Eighteenth Supplemental Indenture") dated as of August 1, 2018, between LAKEWOOD RANCH STEWARDSHIP DISTRICT, (the "District") and U.S. BANK NATIONAL ASSOCIATION, trustee (the "Trustee"), a national banking association authorized to accept and execute trusts of the character herein set out within the State of Florida.

WHEREAS, the District has entered into a Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture") (herein together with this Eighteenth Supplemental Trust Indenture, collectively referred to as the "Indenture") with the Trustee to secure the issuance of its Lakewood Ranch Stewardship District Special Assessment Revenue Bonds (the "Bonds"), issuable in one or more Series from time to time; and

WHEREAS, pursuant to Resolution No. 2005-16 adopted by the Governing Body of the District on August 23, 2005 (the "Bond Resolution"), the District has authorized the issuance of not exceeding \$4,000,000,000 of its Bonds and authorized the execution and delivery of the Master Indenture to secure the issuance of the Bonds; and

WHEREAS, the Bonds were validated by the Circuit Court of the Twelfth Judicial Circuit of the State of Florida in and for Manatee County, Florida in a Final Judgment Validating Bonds rendered on December 20, 2005, and the appeal period from such final judgment has expired with no appeal being taken; and

WHEREAS, the Governing Body of the District has duly adopted resolutions, defining assessable property to be benefitted by the Northeast Sector Project – Phase 1A (hereinafter defined), defining the portion of the Cost of the Northeast Sector Project – Phase 1A with respect to which Series 2018 Assessments (hereinafter defined) will be imposed and the manner in which such Series 2018 Assessments shall be levied against such benefitted property within the District, and the Governing Body of the District has duly adopted a resolution to fix and establish the Series 2018 Assessments and the benefitted property (the "Assessment Resolution"); and

WHEREAS, pursuant to the Bond Resolution, as supplemented by Resolution No. 2018-21 adopted by the Governing Body of the District on August 3, 2018, the District has authorized the issuance, sale and delivery of its \$15,000,000 Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2018 (Northeast Sector Project – Phase 1A) (the "2018 Bonds") as a Series of Bonds under the Master Indenture and authorized the execution and delivery of this Eighteenth Supplemental Indenture to secure the issuance of the 2018 Bonds for the principal purpose of acquiring and constructing a portion of the Northeast Sector Project – Phase 1A; and

WHEREAS, the District will apply the proceeds of the 2018 Bonds to: (i) finance the Cost of the acquisition, construction, installation and equipping of a portion of the Northeast Sector Project – Phase 1A; (ii) pay certain costs associated with the issuance of the 2018 Bonds; (iii) pay

the interest to become due on the 2018 Bonds on November 1, 2018; and (iv) fund the 2018 Reserve Account; and

WHEREAS, the execution and delivery of the 2018 Bonds and of this Eighteenth Supplemental Trust Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the 2018 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Eighteenth Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the 2018 Trust Estate (as hereinafter defined) have been done.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE WITNESSETH:

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the 2018 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt of which is hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price (as defined in the Master Indenture) of, and interest on, all 2018 Bonds Outstanding (as defined in the Master Indenture) from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder, and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this Eighteenth Supplemental Indenture and in the 2018 Bonds: (a) has executed and delivered this Eighteenth Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in interest the trusts under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture, the revenues derived by the District from the Series 2018 Assessments levied and imposed pursuant to the Assessment Resolution as the same may be amended from time to time (the "2018 Pledged Revenues") and the Funds and Accounts (except for the 2018 Rebate Account and the 2018 Costs of Issuance Account) established hereby (the "2018 Pledged Funds") which shall comprise a part of the Trust Estate securing only the 2018 Bonds, (the "2018 Trust Estate");

TO HAVE AND TO HOLD all the same by the Master Indenture and hereby granted, bargained, sold, conveyed, transferred, assigned and pledged, or agreed or intended so to be, to the Trustee and its successors in trust and to it and its assigns forever;

IN TRUST NEVERTHELESS, except as in each such case may otherwise be provided in the Master Indenture or hereby, for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the 2018 Bonds issued or to be issued under and secured by this Eighteenth Supplemental Indenture, without preference, priority or

distinction as to lien or otherwise, of any 2018 Bond over any other 2018 Bond by reason of priority in their issue, sale or execution;

PROVIDED HOWEVER, that if the District, its successors or assigns, shall well and duly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the 2018 Bonds or any 2018 Bond secured and Outstanding under this Eighteenth Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the 2018 Bonds and this Eighteenth Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this Eighteenth Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of the Master Indenture and this Eighteenth Supplemental Indenture, then upon such final payments, this Eighteenth Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all 2018 Bonds or any 2018 Bond of a particular maturity, otherwise this Eighteenth Supplemental Indenture shall remain in full force and effect;

THIS EIGHTEENTH SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all 2018 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Master Indenture (except as amended directly or by implication by this Eighteenth Supplemental Indenture), including this Eighteenth Supplemental Indenture, expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the 2018 Bonds, as follows:

**ARTICLE I
DEFINITIONS**

Section 101. Definitions. All terms used herein that are defined in the recitals hereto are used with the same meaning herein unless the context clearly requires otherwise. All terms used herein that are defined in the Master Indenture are used with the same meaning herein (including the use of such terms in the recitals hereto and the granting clauses hereof) unless (i) expressly given a different meaning herein or (ii) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

“**2018 Investment Obligations**” shall mean and include any of the following securities, in addition to Investment Obligations as defined in the Master Indenture, if and to the extent the same are at the time legal investments for funds of the District:

- (A) Government Obligations;

(B) obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such Association); Fannie Mae (including participation certificates issued by Fannie Mae); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Rural Economic Community Development Administration (formerly the Farmers Home Administration); Student Loan Marketing Association; Federal Home Loan Mortgage Corporation;

(C) commercial paper rated in the two highest rating categories by both Moody's and S&P;

(D) 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 two highest rating categories by both Moody's and S&P;

(E) 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 Moody's or 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 two highest rating categories for such funds by Moody's or S&P;

(F) 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 (as defined below) 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 District 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 immediately notify the District and the Trustee and, at the direction of the District through 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 provider has not satisfied the above conditions within ten (10) 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. Any

repurchase agreement entered into pursuant to the Indenture shall contain the following additional provisions:

Failure to maintain the requisite collateral percentage will require the District or the Trustee to liquidate the collateral as provided above;

The Holder of the Collateral, as hereinafter defined, 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);

The repurchase agreement shall state and an opinion of counsel in form and in substance satisfactory to the District and the Trustee 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);

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;

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 Trustee of any change in its long-term debt rating;

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

The District and the Trustee shall receive the opinion of counsel (which opinion shall be addressed to the District and the Trustee and shall be in form and substance satisfactory to the District and the Trustee) 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;

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

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

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;

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

The collateral delivered or transferred to 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 Owners. 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;

(G) any other investment approved in writing by the Majority Owners;

(H) 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 rating categories by both Moody's and S&P or in one of the two highest categories by either S&P or Moody's; and

(I) 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 Aa2 or better by Moody's and AA or better by S&P or Fitch Ratings, 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:

(1) interest is paid on any date interest is due on the 2018 Bonds (not more frequently than quarterly) at a fixed rate (subject to adjustments for yield restrictions required by the Code) during the entire term of the agreement;

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

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

(4) the Trustee receives an opinion of counsel that such agreement is an enforceable obligation of such insurance company, bank, financial institution or parent;

(5) in the event of a suspension, withdrawal, or downgrade below Aa3, AA- or AA- by Moody's, S&P or Fitch Ratings, respectively, the provider shall notify the Trustee within five (5) days of such downgrade event and the provider shall at its option, within ten (10) business days after notice is given to the Trustee take any one of the following actions:

(i) 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

(ii) 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

(iii) have the agreement guaranteed by a provider which results in a minimum rating criteria of an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or

(iv) repay all amounts due and owing under the agreement.

(6) In the event the provider has not satisfied any one of the above conditions within three (3) days of the date such conditions apply, then the agreement shall provide that the Trustee shall be entitled to withdraw the entire amount invested plus accrued interest without penalty or premium.

(J) 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

(K) other investments permitted by Florida law.

Under all circumstances, the Trustee shall be entitled to conclusively rely that any investment directed by an Authorized Officer of the District is permitted under the Indenture and is a legal investment of funds of the District.

"2018 Reserve Account Requirement" shall mean, as calculated from time to time, as of any date of calculation, _____ percent (___%) of the Maximum Annual Debt Service Requirement, which as of the date of issuance of the 2018 Bonds is \$_____.

"Assessment Interest" shall mean the interest on Series 2018 Assessments received by the District which is pledged to the 2018 Bonds, other than Delinquent Assessment Interest.

“Assessment Principal” shall mean the principal amount of Series 2018 Assessments received by the District which are pledged to the 2018 Bonds, other than Delinquent Assessment Principal and Prepayment Principal.

“Assessment Proceedings” shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2018 Assessments.

“Beneficial Owner” shall mean the owners from time to time of the 2018 Bonds for federal income tax purposes.

“Bond Depository” shall mean the securities depository from time to time under Section 201 hereof, which may be the District.

“Bond Participant” shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds 2018 Bonds as securities depository.

“Collateral Assignment Agreement” shall mean the Collateral Assignment and Assumption of Development and Contract Rights Relating to the Northeast Sector Project between the District and the Master Developer dated August __, 2018.

“Completion Agreement” shall mean the agreement or agreements between the Master Developer and the District pursuant to which, among other matters, the Master Developer has agreed to provide funds to pay all Costs of the Northeast Sector Project – Phase 1A not paid for by the District Series 2018 Assessments on certain lands within the District specially benefitted by the Northeast Sector Project – Phase 1A.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed and delivered in connection with the issuance of the 2018 Bonds and as amended from time to time in accordance with the terms thereof.

“Date of Completion” with respect to the Northeast Sector Project – Phase 1A shall mean: either (a) the date upon which the Northeast Sector Project – Phase 1A 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 District Engineer filed with the Trustee and the District; or (b) the date on which the District determines, upon the recommendation of or consultation with the District Engineer, that it cannot complete the Northeast Sector Project – Phase 1A in a sound and economical manner within a reasonable period of time as evidenced by a certificate of the District Engineer filed with the Trustee and the District; provided that in each case such certificate of the District Engineer shall set forth the amount of all Costs of such Northeast Sector Project – Phase 1A which has theretofore been incurred, but which on the Date of Completion is or will be unpaid or unreimbursed. In the absence of its receipt of such certifications, the Trustee may assume the Date of Completion has not occurred.

“Delinquent Assessment Interest” shall mean the interest on Series 2018 Assessments received by the District which is pledged to the 2018 Bonds and deposited with the Trustee after the date on which such Assessment Interest has become due and payable.

“Delinquent Assessment Principal” shall mean the principal amount of Series 2018 Assessments received by the District which are pledged to the 2018 Bonds and deposited with the Trustee after the date on which such Assessment Principal has become due and payable.

“District Manager” shall mean Fishkind & Associates, Inc., and its successors and assigns.

“DTC” shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

“Interest Payment Date” shall mean each May 1 and November 1, commencing November 1, 2018.

“Majority Owners” shall mean the Beneficial Owners of more than fifty percent (50%) in Outstanding principal amount of the Outstanding 2018 Bonds.

“Master Acquisition Agreement” shall mean any document, including any and all amendments thereto, pursuant to which the Master Developer conveys to the District any portion of the Northeast Sector Project.

“Master Developer” shall mean _____, or any successor or assign thereof.

“Master Developer True Up Agreement” shall mean that document or documents pursuant to which the Master Developer agrees to pay any “debt reduction payments” required pursuant to the Assessment Proceedings as it pertains to the lands owned by the Master Developer.

“Nominee” shall mean the nominee of the Bond Depository, which may be the Bond Depository, as determined from time to time pursuant to this Eighteenth Supplemental Indenture.

“Northeast Sector Project” shall mean the project identified as the Northeast Sector Project and more particularly described in Exhibit A hereto.

“Northeast Sector Project – Phase 1A” shall mean the portion of the Northeast Sector Project identified as the Northeast Sector Project – Phase 1A and more particularly described in Exhibit A hereto.

“Participating Underwriter” shall have the meaning ascribed to it in the Continuing Disclosure Agreement.

“Prepayment Principal” shall mean the excess amount (identified by the District as such in writing to the Trustee) of Assessment Principal received by the District over the Assessment Principal then due, but shall not include Delinquent Assessment Principal. Prepayment Principal shall not include the proceeds of any refunding bonds.

“Series 2018 Assessments” shall mean the non-ad valorem special assessments including the interest thereon designated as pledged to secure the 2018 Bonds in the Assessment Proceedings.

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

ARTICLE II
AUTHORIZATION, ISSUANCE AND PROVISIONS OF THE 2018 BONDS

Section 201. Authorization of 2018 Bonds. The 2018 Bonds are hereby authorized to be issued in the aggregate principal amount of \$15,000,000 for the purposes enumerated in the recitals hereto. The 2018 Bonds shall be substantially in the form set forth as **Exhibit “B”** to this Eighteenth Supplemental Indenture. Each 2018 Bond shall bear the designation “2018-R” and numbered consecutively from 1 upwards.

The 2018 Bonds shall be initially issued in the form of a separate single certificated fully registered 2018 Bond for each maturity of 2018 Bonds. Upon initial issuance, the ownership of such 2018 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of The Depository Trust Company, New York, New York (“DTC”), the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding 2018 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to 2018 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any Beneficial Owner. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the 2018 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the 2018 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the 2018 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2018 Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such 2018 Bond for the purpose of payment of principal, premium and interest with

respect to such 2018 Bond, for the purpose of giving notices of redemption and other matters with respect to such 2018 Bond, for the purpose of registering transfers with respect to such 2018 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the 2018 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payment shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the 2018 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated 2018 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions therein with respect to Record Dates, the words "Cede & Co." in this Eighteenth Supplemental Indenture shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding 2018 Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the 2018 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the 2018 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names the Beneficial Owners shall designate, in accordance with the provisions hereof.

Section 202. Terms of 2018 Bonds. The 2018 Bonds shall be issued as _____ (___) Term Bonds, which Term Bonds shall bear interest at the fixed interest rate per annum and shall mature in the amounts and on the dates set forth below:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
		05/01/20__
		05/01/20__
		05/01/20__
		05/01/20__

Section 203. Dating; Interest Accrual. Each 2018 Bond shall be dated the date of delivery thereof. Each 2018 Bond shall also bear its date of authentication. Each 2018 Bond shall bear interest from the Interest Payment Date to which interest has been paid next

preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such 2018 Bond has been paid, in which event such 2018 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the 2018 Bonds, in which event such 2018 Bond shall bear interest from its date. Interest on the 2018 Bonds shall be due and payable on each May 1 and November 1, commencing November 1, 2018, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 204. Denomination. The 2018 Bonds may be issued in Authorized Denominations provided that delivery to the initial Beneficial Owners shall be in initial minimum denominations of \$100,000 or integral multiples of \$5,000 in excess thereof.

Section 205. Paying Agent. The District appoints the Trustee as Paying Agent for the 2018 Bonds.

Section 206. Bond Registrar. The District appoints the Trustee as Bond Registrar for the 2018 Bonds.

Section 207. Conditions Precedent to Issuance of the 2018 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the 2018 Bonds, all the 2018 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered by the Trustee to the Participating Underwriter upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Proceedings;
- (b) Executed copies of the Master Indenture and this Eighteenth Supplemental Indenture;
- (c) A Bond Counsel opinion substantially to the effect that: (i) the Indenture has been duly authorized, executed and delivered by the District and constitutes a valid and binding obligation of the District; (ii) the 2018 Bonds have been duly authorized, executed and delivered by the District and are valid and binding special obligations of the District, payable solely from the sources provided therefor in the Indenture; and (iii) that the interest on the 2018 Bonds is excludable from gross income for federal income tax purposes;
- (d) An opinion of Counsel to the District substantially to the effect that (i) the District has been duly established and validly exists as a special district under the Act, (ii) based on certificates of the District Engineer and the Master Developer and an opinion of Master Developer's Counsel, the District has good right and lawful authority under the Act to undertake the Northeast Sector Project – Phase 1A being financed with the proceeds of the 2018 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to undertake the Northeast Sector Project – Phase 1A, (iii) all proceedings

undertaken by the District with respect to the Series 2018 Assessments have been in accordance with Florida law (iv) the District has taken all action necessary to levy and impose the Series 2018 Assessments, and (v) the Series 2018 Assessments are legal, valid and binding liens upon the property against which such Series 2018 Assessments 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;

(e) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the 2018 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Eighteenth Supplemental Indenture;

(f) An Engineers' Certificate or Engineers' Certificates certifying as to the accuracy of the information set forth in the District Engineer's Report regarding the Northeast Sector Project – Phase 1A;

(g) A certified copy of the final judgment of validation together with a certificate of no appeal, both in respect of the Bonds; and

(h) Executed copies of the Master Acquisition Agreement, Completion Agreement, Collateral Assignment Agreement, and Master Developer True-Up Agreement.

The opinions referenced in Sections 207(c) and 207(d) shall either be addressed to the Trustee or have reliance letters to the Trustee that the Trustee is entitled to rely upon such opinions.

Payment of the net proceeds of the 2018 Bonds as set forth in Section 402 hereof shall constitute conclusive evidence that the foregoing conditions have been met to the satisfaction of the Underwriter of the 2018 Bonds.

Section 208. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provisions of the Indenture, failure of the District to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee shall, at the written request of the Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding 2018 Bonds and receipt of indemnity satisfactory to the Trustee, or any such Owner, may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations under this Section.

ARTICLE III REDEMPTION OF 2018 BONDS

Section 301. 2018 Bonds Subject to Redemption and Purchase. The 2018 Bonds are subject to redemption prior to maturity as provided in the form thereof set forth as Exhibit "B" to this Eighteenth Supplemental Indenture. The 2018 Bonds may be purchased as provided in the Master Indenture.

Notwithstanding any other provision hereof or of the Master Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

Section 302. Reamortization. Upon any redemption of any 2018 Bond (other than in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so as to reamortize the applicable Outstanding 2018 Bonds in substantially equal annual installments of principal and interest (subject to rounding to \$1,000 integral amounts of principal, except for the final installment) over the remaining term of such 2018 Bonds.

ARTICLE IV
DEPOSIT OF 2018 BOND PROCEEDS AND APPLICATION THEREOF;
ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF

Section 401. Establishment of Accounts.

(a) There are hereby established within the Acquisition and Construction Fund held by the Trustee the following accounts:

- (i) a 2018 Acquisition and Construction Account; and
- (ii) a 2018 Costs of Issuance Account.

(b) There are hereby established within the Debt Service Fund held by the Trustee: (i) a 2018 Sinking Fund Account (ii) a 2018 Interest Account (iii) a 2018 Capitalized Interest Account and (iv) a 2018 Redemption Account and therein a 2018 Prepayment Subaccount;

(c) There is hereby established within the Reserve Fund held by the Trustee a 2018 Reserve Account, which account shall be held for the benefit of all of the 2018 Bonds without distinction as to 2018 Bonds and without privilege or priority of one 2018 Bond over another;

(d) There is hereby established within the Revenue Fund held by the Trustee a 2018 Revenue Account; and

(e) There is hereby established within the Rebate Fund held by the Trustee a 2018 Rebate Account.

Section 402. Use of 2018 Bond Proceeds. The net proceeds of sale of the 2018 Bonds, \$_____ (which is the face amount of 2018 Bonds, [less Original Issue Discount of \$_____ and] less Underwriter's Discount of \$_____) shall be delivered to the Trustee by the District and be applied as follows:

(a) \$_____ of 2018 Bond proceeds representing the initial 2018 Reserve Account Requirement, shall be deposited to the 2018 Reserve Account; and

(b) \$_____ of 2018 Bond proceeds representing the amount of interest to become due on the 2018 Bonds on November 1, 2018 shall be deposited to the credit of the 2018 Capitalized Interest Account; and

(c) \$_____ of 2018 Bond proceeds, representing costs of issuance relating to the 2018 Bonds, shall be deposited to the credit of the 2018 Costs of Issuance Account; and

(d) \$_____ of 2018 Bond proceeds remaining after the deposits above shall be deposited to the credit of the 2018 Acquisition and Construction Account.

Section 403. 2018 Acquisition and Construction Account.

(a) Amounts on deposit in the 2018 Acquisition and Construction Account shall be applied to pay the Costs of the Northeast Sector Project – Phase 1A upon compliance with the requirements of the requisition provisions set forth in the Master Indenture and/or as otherwise provided herein.

(b) Any balance remaining in the 2018 Acquisition and Construction Account after the Date of Completion of the Northeast Sector Project – Phase 1A and after retaining the amount, if any, of all remaining unpaid Costs of the Northeast Sector Project – Phase 1A set forth in the Engineer’s Certificate establishing such Date of Completion, shall be transferred to and deposited in the 2018 Prepayment Subaccount of the 2018 Redemption Account and applied to the extraordinary mandatory redemption of the 2018 Bonds in the manner prescribed in the form of 2018 Bond set forth as Exhibit “B” hereto. At such time as there are no amounts on deposit in the 2018 Acquisition and Construction Account, such account shall be closed.

Section 404. 2018 Costs of Issuance Account. There shall be deposited in the 2018 Costs of Issuance Account \$_____ which shall, at the written direction of an Authorized Officer of the District, be used to pay the costs of issuance relating to the 2018 Bonds. After [_____] 1, 20[___], any amounts deposited in the 2018 Costs of Issuance Account for which there is not pending with the Trustee a requisition shall be transferred over and deposited into the 2018 Acquisition and Construction Account and used for the purposes permitted therein, and the 2018 Costs of Issuance Account shall be closed.

Section 405. 2018 Reserve Account. Amounts on deposit in the 2018 Reserve Account, except as provided elsewhere in the Indenture, shall be used only for the purposes set forth in Section 609 hereof and for making payments into the 2018 Interest Account and the 2018 Sinking Fund Account to pay the 2018 Bonds, without distinction as to 2018 Bonds and without privilege or priority of one 2018 Bond over another, when due when the moneys on deposit in such Accounts and available therefor are insufficient.

The Trustee, on or before the forty-fifth (45th) day (or if such day is not a Business Day, on the Business Day next preceding such day) next preceding each Interest Payment Date, after taking into account all payments and transfers made as of such date, shall compute the value of the 2018 Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in such account, from the first legally available sources of the District. Any excess monies in the 2018 Reserve Account (except excess from investment earnings), shall be deposited in the 2018 Acquisition and Construction Account until the Date of Completion of the Northeast Sector Project – Phase 1A and after the Date of Completion of the Northeast Sector Project – Phase 1A shall be deposited in the 2018 Prepayment Subaccount. Unless and until the District provides the Trustee with a certificate signed by an Authorized Officer of the District that the Date of Completion has occurred, the Trustee may rely that such condition has not occurred.

All earnings on investments in the 2018 Reserve Account, provided no deficiency exists in the 2018 Reserve Account, shall until the Date of Completion be deposited to the 2018 Acquisition and Construction Account and then after the Date of Completion, shall be deposited to the 2018 Revenue Account. To the extent a deficiency exists in the 2018 Reserve Account, investment earnings in such account shall remain in that account. Such account shall consist only of cash and 2018 Investment Obligations.

Notwithstanding the foregoing, on the earliest date on which there is on deposit in the 2018 Reserve Account, sufficient monies, taking into account other monies available therefore, to pay and redeem all of the Outstanding 2018 Bonds, together with accrued interest, if any, on such 2018 Bonds to the earliest date of redemption, then the Trustee shall use the amount on deposit in the 2018 Reserve Account to pay and redeem all of the Outstanding 2018 Bonds on the earliest possible date.

The District may provide that the difference between the amounts on deposit in the 2018 Reserve Account and the 2018 Reserve Account Requirement shall be an amount covered by obtaining bond insurance or a surety bond issued by a municipal bond insurer, rated in one of the two highest categories (at least AA by Fitch, and/or S&P and/or at least Aa by Moody's without reference to gradations) by two nationally recognized rating agencies, (the "Reserve Account Credit Instrument"). At any time after the issuance of the 2018 Bonds, the District may withdraw any or all of the amount of money on deposit in the 2018 Reserve Account and substitute in its place a Reserve Account Credit Instrument as described above in the face amount of such withdrawal and such withdrawn moneys shall, after payment of the premium for such Reserve Account Credit Instrument, be (a) until the Date of Completion, transferred to the Series 2018 Acquisition and Construction Account to be used to pay Costs of the Northeast Sector Project – Phase 1A, (b) after the Date of Completion, transferred to the 2018 Prepayment Subaccount and used to redeem 2018 Bonds, or (c) upon receipt of an opinion of Bond Counsel, transferred to the District to be used for any lawful purpose of the District.

Section 406. Application of Prepayment Principal. All Prepayment Principal shall upon receipt by the Trustee be deposited to the 2018 Prepayment Subaccount of the 2018 Redemption Account. At the time the District deposits Prepayment Principal with the Trustee it shall notify the Trustee in writing as to the amount of Prepayment Principal. Amounts on deposit in the 2018 Prepayment Subaccount shall be applied to the redemption of the 2018 Bonds in the manner provided in the Master Indenture and as provided for the extraordinary mandatory redemption in **Exhibit "B"** hereto.

Section 407. Tax Covenants and Rebate Accounts. The District shall comply with the Tax Regulatory Covenants (including deposits to and payments from the 2018 Rebate Account) included as part of the closing transcript for the 2018 Bonds, as amended and supplemented from time to time in accordance with their terms.

Section 408. Establishment of 2018 Revenue Account in Revenue Fund; Application of Revenues and Investment Earnings.

(a) The Trustee shall, except as provided below or otherwise provided herein, deposit the 2018 Pledged Revenues to the 2018 Revenue Account and any other amounts or payments specifically designated by the District pursuant to a written direction for said purpose. The 2018 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. Amounts on deposit in the 2018 Revenue Account, 2018 Interest Account and 2018 Capitalized Interest Account, 2018 Sinking Fund Account, 2018 Redemption Account and 2018 Reserve Account shall be used as provided in the Master Indenture except as otherwise provided herein.

(b) Immediately upon receipt the District shall deposit the 2018 Pledged Revenues with the Trustee together with a written accounting setting forth the amounts of such 2018 Pledged Revenues in the following categories which shall be deposited by the Trustee into the Funds and Accounts established hereunder as follows:

(i) Assessment Interest, which shall be deposited into the 2018 Interest Account;

(ii) Assessment Principal, which shall be deposited into the 2018 Sinking Fund Account;

(iii) Prepayment Principal, which shall be deposited into the 2018 Prepayment Subaccount of the 2018 Redemption Account.

(iv) Delinquent Assessment Principal shall first be applied to restore the amount of any withdrawal from the 2018 Reserve Account to pay the principal of 2018 Bonds to the extent that less than the 2018 Reserve Account Requirement is on deposit in the 2018 Reserve Account, and, the balance, if any, shall be deposited into the 2018 Sinking Fund Account;

(v) Delinquent Assessment Interest, shall first be applied to restore the amount of any withdrawal from the 2018 Reserve Account to pay the interest on 2018 Bonds to the extent that less than the 2018 Reserve Account Requirement is on deposit in the 2018 Reserve Account, and, the balance, if any, shall be deposited into the 2018 Interest Account; and

(vi) the balance shall remain in the 2018 Revenue Account.

(c) On the forty-fifth (45th) day preceding each May 1 and November 1 (or if such forty-fifth (45th) day is not a Business Day, on the Business Day next preceding such forty-fifth (45th) day), the Trustee shall determine the amount on deposit in the 2018 Prepayment Subaccount of the 2018 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only after determining that following such transfer sufficient amounts will remain on deposit in the 2018 Revenue Account to make the transfers required by (d) below, from the 2018 Revenue Account for deposit into such 2018 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to the next integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of 2018 Bonds on the next succeeding Interest Payment Date in the maximum aggregate principal amount for which moneys are then on deposit in such 2018 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of 2018 Bonds as set forth in **Exhibit "B"** hereto, and Article III of the Master Indenture and Section 301 hereof. Interest due in regard to such extraordinary mandatory redemption shall be paid from the 2018 Interest Account.

(d) Unless otherwise provided below, no later than each May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such date), the Trustee shall transfer from amounts on deposit in the 2018 Revenue Account to the Funds and Accounts designated below, the following amounts in the following order of priority and apply such amounts as provided in the Master Indenture and the provisions hereof:

FIRST, to the 2018 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all 2018 Bonds then Outstanding on such May 1 or November 1, less any other amount already on deposit in the 2018 Interest Account not previously credited. On November 1, 2018, the Trustee shall transfer from the 2018 Capitalized Interest Account to the 2018 Interest Account an amount equal to the lesser of the amount of interest due on the 2018 Bonds on such date or the amount on deposit in the 2018 Capitalized Interest Account. After November 1, 2018, any amounts in the Capitalized Interest Account shall be transferred to the 2018 Reserve Account if there is any deficiency therein and the remainder to the 2018 Acquisition and Construction Account if the Date of Completion has not yet occurred and if the Date of Completion has already occurred to the 2018 Revenue Account;

SECOND, on each May 1, commencing May 1, 20[___], to the 2018 Sinking Fund Account, an amount equal to the Amortization Installments or principal of 2018 Bonds due on such May 1, less any amounts already on deposit in such Account not previously credited;

THIRD, to the 2018 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the then 2018 Reserve Account Requirement; and

FOURTH, the balance shall be retained in the 2018 Revenue Account.

(e) On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall transfer from the 2018 Revenue Account to the 2018 Rebate Account established for the 2018 Bonds in the Rebate Fund in accordance with the Master Indenture and the Tax Regulatory Covenants, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Regulatory Covenants. To the extent insufficient moneys are on deposit in the 2018 Revenue Account to make the transfer provided for in the immediately preceding sentence the District shall deposit with the Trustee from available moneys of the District the amount of any such insufficiency.

(f) On or after each November 2, beginning November 2, 20[___], the balance on deposit in the 2018 Revenue Account on such November 2 shall (i) before the Date of Completion, be transferred into the 2018 Acquisition and Construction Account, and (ii) after the Date of Completion, shall be paid over to the District at the written direction of an Authorized Officer and used for any lawful purpose of the District; provided, however, that on the date of such proposed transfer the amount on deposit in the 2018 Reserve Account shall be equal to the 2018 Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Master Indenture or hereunder relating to the 2018 Bonds, including the payment of Trustee's fees and expenses then due.

(g) Anything herein or in the Master Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the 2018 Bonds shall be invested only in 2018 Investment Obligations, and further, earnings on investments in the 2018 Acquisition and Construction Account, 2018 Costs of Issuance Account, 2018 Capitalized Interest Account and 2018 Revenue Account shall be retained as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the 2018 Sinking Fund Account, 2018 Interest Account, and the 2018 Redemption Account, including any subaccounts therein, shall be deposited, as realized, to the credit of the 2018 Revenue Account and used for the purpose of such Account.

Earnings on investments in the 2018 Reserve Account shall be disposed of as provided in Section 405 hereof.

ARTICLE V COVENANTS AND DESIGNATIONS OF THE DISTRICT

Section 501. Provision Relating to Bankruptcy or Insolvency of Landowner. The provisions of this Section 501 shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to at least three percent (3%) of the then Outstanding Series 2018

Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any 2018 Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Trustee, the 2018 Bonds or the Series 2018 Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the 2018 Bonds or for as long as any 2018 Bonds remain Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the 2018 Bonds or the Series 2018 Assessments or the Trustee. The District agrees that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The District acknowledges and agrees that, although the 2018 Bonds were issued by the District, the Owners of the 2018 Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving an Insolvent Taxpayer: (a) the District hereby agrees that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2018 Assessments, the 2018 Bonds or any rights of the Trustee under the Indenture; (b) the District hereby agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2018 Assessments, the 2018 Bonds or any rights of the Trustee under the Indenture that are inconsistent with any direction from the Trustee; (c) the Trustee shall have the right, but is not obligated to, (i) file and vote in any such Proceeding any and all claims of the District, and seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Series 2018 Assessments, would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Series 2018 Assessments, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code and (d) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to

Trustee's enforcement of the District's claim and rights with respect to the Series 2018 Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Series 2018 Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Notwithstanding the provisions of the immediately preceding paragraphs, nothing in this Section 501 shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for operation and maintenance assessments, and the District shall be free to pursue such a claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for operation and maintenance assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or directions with respect to the Series 2018 Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (c) of the paragraph above.

Section 502. Collection of Series 2018 Assessments. Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall not be required to collect Series 2018 Assessments using the Uniform Collection Method provided for in Section 197.3631, 197.3632 and 197.3635, Florida Statutes, until such time as the property subject to such Series 2018 Assessments is platted and a distinct ad valorem property tax identification number has been assigned by the Property Appraiser thereto. In addition, the District is not required to use the Uniform Collection Method when the property is owned by a government or includes structures owned by a government.

All Series 2018 Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by the landowner no later than thirty (30) days prior to each Interest Payment Date.

In addition, and not in limitation of the covenants contained elsewhere in this Eighteenth Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2018 Assessments and to levy the Series 2018 Assessments and any required true-up payments set forth in the assessment methodology, in such manner as will generate funds sufficient to pay the principal of and interest on the 2018 Bonds, when due.

Notwithstanding anything in the Indenture to the contrary, upon the occurrence of an Event of Default, the collection of Series 2018 Assessments shall be in the manner directed by the Majority Owners.

Section 503. No Parity Bonds. Other than Refunding Bonds issued to refund the Outstanding 2018 Bonds, the issuance of which results in net present value debt service savings,

the District shall not, while any 2018 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the 2018 Trust Estate.

Section 504. Covenant With Regard to Enforcement and Collection of Delinquent Assessments. Anything herein or in the Master Indenture to the contrary notwithstanding, the District covenants and agrees that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, and the provision for the foreclosure of liens of Delinquent Assessments and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of and on behalf of, the Majority Owners. However, the 2018 Bonds may not be accelerated except to the extent the Series 2018 Assessments have been accelerated.

ARTICLE VI MISCELLANEOUS PROVISIONS

Section 601. Additional Events of Default and Remedies. Section 902 of the Master Indenture is hereby amended with respect to the 2018 Bonds by inserting at the conclusion thereof the following paragraphs:

(a) More than twenty percent (20%) of the operation and maintenance assessments levied by the District are not paid by the date such are due and payable.

(b) The Trustee is authorized to withdraw funds from the 2018 Reserve Account in an amount greater than twenty-five percent (25%) of the 2018 Reserve Account Requirement to pay debt service on the 2018 Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the 2018 Reserve Account to pay debt service on the 2018 Bonds) and any such amount withdrawn is not replenished within ninety (90) days of the date of such withdrawal.

(c) Material breach by the District of any material covenant made by it in the Indenture, whether or not notice of such breach has been given.

The District covenants and agrees that it will enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, and the provisions for the foreclosure of liens of Delinquent Assessments. The District acknowledges and agrees that (i) upon failure of any property owner to pay Series 2018 Assessments collected directly by the District when due, that the entire Series 2018 Assessments on the delinquent property, with interest and penalties thereon, shall immediately become due and payable and the District shall promptly cause to be commenced the necessary legal proceedings for the foreclosure of liens of delinquent Series 2018 Assessments, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings.

Section 602. Foreclosure of Assessment Lien. Notwithstanding any provisions of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2018 Assessments and 2018 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2018 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2018 Assessments for such property (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount greater than or equal to the balance due on the Series 2018 Assessments for such property (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special-purpose entity title to the property for the benefit of the Owners of the 2018 Bonds; provided that the Trustee shall have the right, acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the 2018 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall, after being provided assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the Owners of the 2018 Bonds within sixty (60) days after the receipt of the request therefore signed by the Trustee or the Majority Owners. The Trustee may, upon direction from the Majority Owners, pay costs associated with any actions taken by District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

Section 603. Interpretation of Eighteenth Supplemental Indenture. This Eighteenth Supplemental Indenture amends and supplements the Master Indenture with respect to the 2018 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Eighteenth Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and this Eighteenth Supplemental Indenture shall be read and construed as one document.

Section 604. Amendments. Any amendments to this Eighteenth Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

Section 605. Counterparts. This Eighteenth Supplemental 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 606. Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this Eighteenth Supplemental Indenture are hereby incorporated herein and made a part of this Eighteenth Supplemental Indenture for all purposes.

Section 607. Payment Dates. In any case in which an Interest Payment Date or the maturity date of the 2018 Bonds or the date fixed for the redemption of any 2018 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 608. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Owners of the 2018 Bonds.

Section 609. Use of 2018 Acquisition and Construction Account Moneys and Other Trust Funds. Upon the occurrence of an Event of Default, moneys in the Series 2018 Acquisition and Construction Account and the 2018 Trust Estate may be used to pay the fees and the expenses and costs of litigation and other remedies of the Trustee incurred, to pursue remedies under the Indenture.

Section 610. Bond Year. The Bond Year for the 2018 Bonds shall mean May 1-April 30.

ARTICLE VII

THE TRUSTEE; THE PAYING AGENT AND BOND REGISTRAR

Section 701. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created and agrees to perform such trusts upon the terms and conditions set forth in the Indenture. The Trustee agrees to act as Paying Agent and Bond Registrar for the 2018 Bonds.

Section 702. Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this Eighteenth Supplemental Indenture by the District or for the recitals contained herein (except for the certificate of authentication on the 2018 Bonds), all of which are made solely by the District. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlement inuring to the Trustee under the Master Indenture.

Section 703. Brokerage Confirmations. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive individual confirmations of security transactions at no additional cost, as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

Section 704. Assignment of District's Rights under Collateral Assignment Agreement. The District hereby assigns its rights under the Collateral Assignment Agreement to the Trustee for the benefit of the Owners, from time to time, of the 2018 Bonds. The Trustee shall not be deemed to have accepted or assumed any obligation under the Collateral Assignment Agreement by virtue of such assignment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Lakewood Ranch Stewardship District has caused these presents to be signed in its name and on its behalf by its [Vice] Chairman, and its official seal to be hereunto affixed and attested by its Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and on its behalf by its duly authorized officer.

**LAKWOOD RANCH STEWARDSHIP
DISTRICT**

[SEAL]

By: _____
[Vice] Chairman, Board of Supervisors

ATTEST:

By: _____
Secretary

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

By: _____
Vice President

EXHIBIT "A"

Description of Northeast Sector Project and Northeast Sector Project – Phase 1A

Northeast Sector Project – The Northeast Sector Project shall be as described in the Master Engineer's Report for Northeast Sector at Lakewood Ranch Infrastructure Improvements dated August 4, 2017.

Northeast Sector Project – Phase 1A – The Northeast Sector Project – Phase 1A is that portion of the Northeast Sector Project as described in the Supplemental Engineer's Report for Northeast Sector Project – Phase 1A dated _____, 2018.

EXHIBIT "B"

Form of the 2018 Bonds

No. 2018-R-

\$_[_____]

United States of America
State of Florida
LAKEWOOD RANCH STEWARDSHIP DISTRICT
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2018
(NORTHEAST SECTOR PROJECT – PHASE 1A)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
[_____]%	[_____]	[_____]_, 2018	[_____]

Registered Owner: Cede & Co.

Principal Amount: [_____] DOLLARS

LAKEWOOD RANCH STEWARDSHIP DISTRICT, a special district duly created and existing pursuant to Chapter 2005-338, Laws of Florida, as amended by Chapter 2009-263 and Chapter 2018-178, Laws of Florida (the "District"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the Registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this 2018 Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture mentioned hereinafter) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for, or if no interest has been paid, from the Dated Date shown above, on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on November 1, 2018, payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (as hereinafter defined), be paid to the Registered Owner hereof at the close of business on the regular record date for such interest, which shall be the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date, or if such day is not a Business Day on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (i) of Section 902 of the Master Indenture (hereinafter defined), the

payment of interest and principal or Redemption Price shall be made by the Paying Agent (hereinafter defined) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the Registered Owner of this 2018 Bond. Except as otherwise applicable to bonds held pursuant to a book entry system, any payment of principal, or Redemption Price shall be made only upon presentation hereof at the designated office of U.S. Bank National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"). Except as otherwise applicable to bonds held in a book-entry system, payment of interest shall be made by check or draft or by wire transfer to the Registered Owner set forth above if such owner requests payment by wire transfer in writing on or prior to the regular record date for the respective interest payment to such account as shall be specified in such request, but only if the Registered Owner set forth above owns not less than \$100,000 in aggregate principal amount of the 2018 Bonds or all of the then Outstanding 2018 Bonds, as defined below. Interest on this 2018 Bond will be computed on the basis of a 360-day year of twelve 30-day months.

This 2018 Bond is one of a duly authorized issue of bonds of the District designated "Special Assessment Revenue Bonds, Series 2018 (Northeast Sector Project – Phase 1A)" (the "2018 Bonds") issuable under and governed by the terms of a Master Trust Indenture, dated as of September 1, 2005 (the "Master Indenture"), between the District and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by an Eighteenth Supplemental Trust Indenture, dated as of August 1, 2018 (the "Supplemental Indenture"), between the District and the Trustee (the Master Indenture as supplemented by the Supplemental Indenture is hereafter referred to as the "Indenture"). The 2018 Bonds are secured by the 2018 Pledged Revenues and 2018 Pledged Funds as provided for in the Indenture. The 2018 Bonds are issued in an aggregate principal amount of \$_____, for the purpose of (i) financing a portion of the Cost of the acquisition, construction, installation and equipping a portion of the Northeast Sector Project – Phase 1A; (ii) paying certain costs associated with the issuance of the 2018 Bonds; (iii) paying the interest to become due on the 2018 Bonds on November 1, 2018; and (iv) funding the 2018 Reserve Account.

NEITHER THIS 2018 BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THIS 2018 BOND AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE AUTHORIZING THE ISSUANCE OF THE 2018 BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE 2018 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR

THE 2018 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2018 PLEDGED REVENUES AND THE 2018 PLEDGED FUNDS PLEDGED TO THE 2018 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the resolutions of the District to happen, exist and be performed precedent to and in the issuance of this 2018 Bond and the execution of the Indenture, have happened, exist and have been performed as so required. This 2018 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 the execution by the Trustee of the Certificate of Authentication endorsed hereon.

This 2018 Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 2005-338, Laws of Florida, as amended by Chapter 2009-263 and Chapter 2018-178, Laws of Florida, and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the designated office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of 2018 Bonds, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, and Redemption Price of, and the interest on, the 2018 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Series 2018 Assessments (as defined in the Indenture), the terms and conditions under which the 2018 Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Registered Owners and Beneficial Owners of the 2018 Bonds, and, by the acceptance of this 2018 Bond, the Registered Owner and Beneficial Owners hereof assent to all of the provisions of the Indenture. Terms not otherwise defined herein shall have the meaning ascribed to them in the Indenture. The 2018 Bonds are equally and ratably secured by the 2018 Trust Estate, without preference or priority of one 2018 Bond over another. Subject to certain exceptions, the District has covenanted in the Indenture not to issue or incur any obligations payable from the 2018 Trust Estate other than Refunding Bonds issued in accordance with the provisions of the Master Indenture. The District or other governmental entities may, however, impose and levy assessments or ad valorem taxes payable on a parity with the Series 2018 Assessments securing the 2018 Bonds.

The 2018 Bonds are issuable only as registered bonds without coupons in current interest form in denominations of \$5,000 or any integral multiple thereof (an "Authorized Denomination"); provided however, the 2018 Bonds will initially be delivered in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. This 2018 Bond is transferable by the Registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida as Bond Registrar (the "Bond Registrar"), upon surrender of this 2018 Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new 2018 Bond or 2018 Bonds, in the same aggregate principal amount as the 2018 Bond or 2018

Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Fort Lauderdale, Florida, in the manner and subject to the limitations and conditions provided in the Indenture and without cost, except for any tax or other governmental charge, 2018 Bonds may be exchanged for an equal aggregate principal amount of 2018 Bonds of the same maturity, in Authorized Denominations and bearing interest at the same rate or rates.

The District has established a book-entry system of registration for the 2018 Bonds. Except as specifically provided otherwise in the Indenture, an agent will hold this 2018 Bond on behalf of the beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, the beneficial owner of this 2018 Bond shall be deemed to have agreed to such arrangement.

Optional Redemption

The 2018 Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part at any time on or after May 1, 20[___] (less than all 2018 Bonds to be selected by lot), at the Redemption Price of the principal amount of the 2018 Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The 2018 Bonds are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2018 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the redemption date, on May 1 of the years and in the principal amounts set forth below:

\$_____ Term Bond maturing May 1, 20__
May 1 of Amortization
the Year Installment

*Maturity

\$_____ Term Bond maturing May 1, 20__

May 1 of Amortization
the Year Installment

*Maturity

\$_____ Term Bond maturing May 1, 20__

May 1 of Amortization
the Year Installment

*Maturity

\$_____ Term Bond maturing May 1, 20__

May 1 of Amortization
the Year Installment

*Maturity

Upon redemption or purchase of the 2018 Bonds (other than redemption in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so that Debt Service on such 2018 Bonds is amortized in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of such 2018 Bonds (the annual principal amounts so determined are hereinafter referred to as the "Aggregate Amortization Installments"). The Amortization Installments as so recalculated shall not result in an increase in Aggregate Amortization Installments in any year.

Extraordinary Mandatory Redemption

The 2018 Bonds are subject to extraordinary mandatory redemption prior to scheduled maturity, in whole on any date or in part on any Interest Payment Date, and if in part on a pro rata basis as calculated by the District determined by the ratio of the Outstanding principal amount of each maturity of the 2018 Bonds treating for such purposes each Amortization Installment as a maturity divided by the aggregate principal amount of Outstanding 2018 Bonds and as otherwise provided in the Indenture, at the Redemption Price of 100% of the principal amount thereof, without premium plus accrued interest to the redemption date, if and to the extent that any one or more of the following shall have occurred:

(i) On or after the Date of Completion of the Northeast Sector Project – Phase 1A, by application of moneys transferred from the 2018 Acquisition and Construction Account to the 2018 Prepayment Subaccount of the 2018 Redemption Account in accordance with the terms of the Indenture; or

(ii) Amounts are deposited into the 2018 Prepayment Subaccount of the 2018 Redemption Account from the prepayment of Series 2018 Assessments and from amounts deposited into the 2018 Prepayment Subaccount from the 2018 Reserve Account; or

(iii) When the amount on deposit in the 2018 Reserve Account, together with other moneys available therefor are sufficient to pay and redeem all 2018 Bonds then Outstanding as provided in the Supplemental Indenture.

Except as otherwise provided in the Indenture, if less than all of the 2018 Bonds subject to redemption shall be called for redemption, the particular maturities of such 2018 Bonds or portions of particular maturities of such 2018 Bonds to be redeemed shall be selected by the Bond Registrar on a pro rata basis as determined by the ratio of the Outstanding principal amount of each maturity of the 2018 Bonds divided by the aggregate principal amount of Outstanding 2018 Bonds and as otherwise provided in the Indenture and then by lot within each maturity, as determined by Cede & Co.

Notice of each redemption of 2018 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each Registered Owner of 2018 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Bond Registrar. Notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event

or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the 2018 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such 2018 Bonds or such portions thereof on such date, interest on such 2018 Bonds or such portions thereof so called for redemption shall cease to accrue, such 2018 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such 2018 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Owner of this 2018 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.

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the 2018 Bonds then Outstanding under the Indenture may become and may be declared due and payable before the stated maturity thereof, with the interest accrued thereon.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

If the District deposits or causes to be deposited with the Trustee funds or Federal Securities (as defined in the Indenture) sufficient to pay the principal or Redemption Price of any 2018 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of such 2018 Bonds as to the 2018 Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This 2018 Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

This 2018 Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Lakewood Ranch Stewardship District has caused this 2018 Bond to bear the signature of the [Vice] Chairman of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Secretary to the Board of Supervisors.

**LAKWOOD RANCH STEWARDSHIP
DISTRICT**

[SEAL]

By: _____
[Vice] Chairman, Board of Supervisors

ATTEST:

By: _____
Secretary to Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This 2018 Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Bond Registrar

By: _____
Vice President

Date of Authentication: [____] __, 2018

CERTIFICATE OF VALIDATION

This 2018 Bond is one of a Series of Bonds which were validated by judgment of the Circuit Court in and for Manatee County, Florida, rendered on December 20, 2005.

**LAKWOOD RANCH STEWARDSHIP
DISTRICT**

By: _____
[Vice] Chairman, Board of Supervisors

[FORM OF ASSIGNMENT FOR 2018 BONDS]

The following abbreviations, when used in the inscription on the face of the within 2018 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 tenant by the entireties

JT TENAs joint tenants with the right of survivorship and not as tenants in common

UNIFORM TRANS MIN ACT - _____ Custodian _____ under Uniform Transfers to Minors Act _____ (State)

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

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within 2018 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the said 2018 Bond on the books of the District, with full power of substitution in the premises.

Dated this ____ day of _____, ____.

Social Security Number of Employer: _____

Identification Number of Transferee: _____

Signature guaranteed: _____

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within 2018 Bond in every particular without alteration or any change whatever.

By: _____
Authorized Signatory

EXHIBIT B

FORM OF BOND PURCHASE CONTRACT

EXHIBIT C

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

EXHIBIT D

FORM OF CONTINUING DISCLOSURE AGREEMENT

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**LAKEWOOD RANCH
STEWARDSHIP DISTRICT**

Other Matters

(provided under separate cover)