

SIXTEENTH SUPPLEMENTAL TRUST INDENTURE

BETWEEN

LAKWOOD RANCH STEWARDSHIP DISTRICT

AND

U.S. BANK NATIONAL ASSOCIATION,

AS TRUSTEE

**Dated as of September 1, 2017
securing
Not to Exceed \$45,000,000
Lakewood Ranch Stewardship District
Bond Anticipation Note, Series 2017
(Northeast Sector Project)**

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SIXTEENTH SUPPLEMENTAL TRUST INDENTURE

THIS **SIXTEENTH SUPPLEMENTAL TRUST INDENTURE** (the "Sixteenth Supplemental Indenture") dated as of September 1, 2017, 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 Sixteenth Supplemental Trust Indenture, collectively referred to as the "Indenture") with the Trustee to secure the issuance of its Lakewood Ranch Stewardship District Special Assessment Bonds (the "Bonds"), and any bond anticipation notes issued in anticipation of the issuance of any Series of Bonds, issuable in one or more Series from time to time; and

WHEREAS, the Governing Body of the District duly adopted resolutions providing for the acquisition and construction of a capital improvement plan for the lands within the District known as the Northeast Sector and more fully described in the Master Engineer's Report attached hereto as Exhibit A (the "Northeast Sector Project") and taking certain further action with regard to the imposition, levy and collection of special assessments on lands specially benefitted by the Northeast Sector Project; 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, to be issued in one or more Series of Bonds as authorized under the Master Indenture; and

WHEREAS, the District intends to issue Bonds, in one or more Series, to finance all or a portion of the Northeast Sector Project (the "Northeast Sector Bonds"); and

WHEREAS, in anticipation of the issuance of the Northeast Sector Bonds and in order to provide interim funds to the District to finance a portion of the Northeast Sector Project, the Governing Body of the District has determined to issue its Not to Exceed \$45,000,000 Lakewood Ranch Stewardship District Bond Anticipation Note, Series 2017 (Northeast Sector Project) (the "2017 Note") under and pursuant to the Master Indenture and this Sixteenth Supplemental Indenture and to secure the 2017 Note and set forth the terms of the 2017 Note as hereinafter provided; and

WHEREAS, the District will apply the proceeds of the 2017 Note to: (i) finance the Cost of the acquisition, construction, installation and equipping of the Northeast Sector Project; (ii) pay certain costs associated with the issuance of the 2017 Note; (iii) fund capitalized interest on the 2017 Note; and (iv) fund the 2017 Note Reserve Account; and

WHEREAS, the Northeast Sector Bonds in anticipation of which the 2017 Note is being issued, have been validated by the Circuit Court of the Thirteenth 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 execution and delivery of the 2017 Note and of this Sixteenth Supplemental Trust Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the 2017 Note, when executed by the District and authenticated by the Trustee, a valid and binding legal obligation of the District and to make this Sixteenth Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Note Trust Estate (as hereinafter defined) have been done.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS SIXTEENTH 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 2017 Note 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, any portion of the 2017 Note Outstanding (as defined in the Master Indenture) from time to time, according to its 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 Sixteenth Supplemental Indenture and in the 2017 Note: (a) has executed and delivered this Sixteenth 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; proceeds of the Northeast Sector Bonds, when, as and if issued, and the revenues received by the District from Note Assessments (as defined herein) levied and collected as needed to pay debt service on the 2017 Note (together, the "Note Pledged Revenues") and the Funds and Accounts (except for the 2017 Note Rebate Account and the 2017 Note Costs of Issuance Account) established hereby (the "Note Pledged Funds") which shall comprise a part of the Trust Estate securing the 2017 Note (the "Note 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;

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 2017 Note secured and Outstanding under this Sixteenth Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the 2017 Note and this Sixteenth 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 Sixteenth 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 Sixteenth Supplemental Indenture, then upon such final payments, this Sixteenth Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to the 2017 Note, otherwise this Sixteenth Supplemental Indenture shall remain in full force and effect;

THIS SIXTEENTH SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that the 2017 Note issued and secured hereunder is 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 Sixteenth Supplemental Indenture), including this Sixteenth 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 2017 Note, 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:

“2017 Note Reserve Account Requirement” shall mean, as calculated from time to time, as of any date of calculation, ten percent (10%) of the principal amount of each Draw, exclusive of amounts drawn to fund the 2017 Note Reserve Account.

“Adjustment Event” shall mean a Determination of Taxability, a Monetary Default or a Corporate Tax Rate Decrease.

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

“Authorized Denomination” shall mean, with respect to the 2017 Note, the then Outstanding principal amount of the 2017 Note.

“Bank” or **“Owner”** shall mean Florida Community Bank, N.A., a national banking association, and its successors and assigns.

“BAN Resolution” shall mean Resolution No. 2017-25 adopted by the Governing Body of the Issuer on September 8, 2017, authorizing the issuance of the 2017 Note.

“Commitment Fee” shall mean the loan commitment fee in the amount of \$225,000 payable to the Bank on the date of delivery of the 2017 Note.

“Corporate Tax Rate Decrease” shall mean a decrease in the maximum federal corporate tax rate imposed on corporations pursuant to Section 11(b) of the Code, from the current rate of thirty-five percent (35%).

“Default Rate” shall mean the lesser of (a) 500 basis points over the Bank’s Prime Rate or (b) the maximum rate permitted by law and shall be the interest rate borne by the 2017 Note upon a Monetary Default.

“Determination of Taxability” shall mean a final decree or judgment of any federal court or a final action of the Internal Revenue Service determining that interest paid or payable on the 2017 Note is or was includable in the gross income of an Owner for federal income tax purposes; provided, no Determination of Taxability shall be deemed to occur unless the District has been given written notice of such occurrence and, to the extent permitted by law, an opportunity to participate in and seek, at the District’s expense, a final administrative determination by the Internal Revenue Service or determination by a court of competent jurisdiction (from which no further right of appeal exists) as to occurrence of such Determination of Taxability.

“Determination of Taxability Period” shall mean the period of time between (a) the earliest date that the Internal Revenue Service imposes federal income tax on interest on the 2017 Note and (b) the effective date of the Determination of Taxability.

“Draw” shall have the meaning assigned thereto pursuant to Section 203 hereof.

“Draw Request” shall have the meaning assigned thereto pursuant to Section 203 hereof.

“Interest Payment Date” shall mean each May 1 and November 1, commencing November 1, 2017, any date on which all or a portion of the 2017 Note is redeemed and the Maturity Date.

“Maturity Date” shall mean September 8, 2022.

“Monetary Default” shall mean the failure by the District to make any payment of the principal of or interest on the 2017 Note within ten (10) days after the same shall become due and payable, whether at maturity, or otherwise.

“Northeast Sector Bond Assessments” shall mean the debt service special assessments levied by the District to pay debt service on the Northeast Sector Bonds.

“Northeast Sector Bonds” shall mean a Series of Bonds issued for the purpose of financing all or a portion of the Northeast Sector Project.

“Northeast Sector Project” shall mean the project described in Exhibit A.

“Note Assessment Interest” shall mean the balance of the Note Assessments remaining after deducting from the Note Assessment Revenues the Note Assessment Principal.

“Note Assessment Principal” shall mean the principal amount of the Note Assessments received by the District which represent a proportionate amount of the principal of the 2017 Note.

“Note Assessment Revenues” shall mean the revenues received by the District from the levy and collection of the Note Assessments. Note Assessment Revenues do not include revenues received by the District from the levy and collection of Northeast Sector Bond Assessments.

“Note Assessments” shall mean the debt service special assessments levied and collected by the District as needed to pay debt service on the 2017 Note. Note Assessments do not include Northeast Sector Bond Assessments.

“Note Pledged Funds” shall mean the Funds and Accounts (except for the 2017 Note Rebate Account and the 2017 Note Costs of Issuance Account) established and held under this Sixteenth Supplemental Indenture.

“Note Pledged Revenues” shall mean (a) proceeds of the Northeast Sector Bonds, when, as and if issued, and (b) Note Assessment Revenues.

“Note Trust Estate” shall mean the Note Pledged Revenues and the Note Pledged Funds.

“Notice Address” shall mean, with respect to the Bank: Florida Community Bank, N.A.; 369 North New York Avenue; Winter Park, Florida 32789; Attention: Loan Operations.

“Prime Rate” shall mean the rate published from time to time in *The Wall Street Journal* as the “U.S. Prime Rate” or, in the event *The Wall Street Journal* ceases to be published, goes on strike, or is otherwise not published or ceases publication of “Prime Rate,” the base reference or other rate then designated by the Bank, in its sole discretion, for general commercial loan reference. The Prime Rate is not necessarily the lowest or best rate of interest offered by the Bank to any borrower or class of borrower.

“**Taxable Rate**” shall mean the interest rate to be borne by the 2017 Note as determined pursuant to Section 203 hereof.

“**Tax-Exempt Rate**” shall mean 4.00% per annum, which shall be the interest rate borne by the 2017 Note absent an Adjustment Event.

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 2017 NOTE

Section 201. Authorization of the 2017 Note. The 2017 Note is hereby authorized to be issued for the purposes enumerated in the recitals hereto to be designated “Lakewood Ranch Stewardship District Bond Anticipation Note, Series 2017 (Northeast Sector Project).” The 2017 Note will be issued as a revolving, draw-down note pursuant to Section 203 hereof and on the date of delivery of the 2017 Note the Outstanding principal amount of the 2017 Note shall be \$1,615,088. The total principal amount of the 2017 Note that may be Outstanding at any time under this Sixteenth Supplemental Indenture is expressly limited to \$45,000,000 prior to the issuance by the District of the first Series of Northeast Sector Bonds and \$33,000,000 following the issuance by the District of the first Series of Northeast Sector Bonds. The 2017 Note shall be substantially in the form set forth as **Exhibit “B”** to this Sixteenth Supplemental Indenture. The 2017 Note shall bear the designation “BAN2017-R-1.”

The 2017 Note shall be initially issued in the form of a separate single certificated fully registered revolving draw-down Note in the aggregate principal amount equal to the maximum aggregate principal amount of the 2017 Note. The Bank will fund Draws on the 2017 Note from time to time pursuant to the Draw procedures provided in Section 203 below.

The provisions of the Master Indenture with respect to the registration, transfer and exchange of Bonds shall apply to the 2017 Note. Notwithstanding the provisions of the Master Indenture to the contrary, so long as the Bank is the Owner of the 2017 Note, presentation of the 2017 Note to the Paying Agent shall not be required for the payment of principal, whether at maturity or upon redemption prior to maturity.

Section 202. Terms of 2017 Note. The 2017 Note shall be issued as a single note in a principal amount not to exceed at any given time \$45,000,000 prior to the issuance by the District of the first Series of Northeast Sector Bonds and \$33,000,000 following the issuance by the District of the first Series of Northeast Sector Bonds, shall bear interest at the Tax-Exempt Rate, subject to adjustment as provided herein, and shall mature on the Maturity Date

Section 203. Dating; Interest Accrual; Interest Rate Adjustments; Draw Requests. The 2017 Note shall be dated the date of delivery thereof. The 2017 Note shall also bear its date of authentication. The 2017 Note 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 2017 Note has been paid, in which event such 2017 Note shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the 2017 Note, in which event such 2017 Note shall bear interest from its date. Interest on the 2017 Note shall be due and payable on each Interest Payment Date, and shall be computed on the basis of a 360-day year of twelve 30-day months.

The Tax-Exempt Rate is subject to adjustment as provided below:

If there is a Determination of Taxability not caused by the action of the Owner, the 2017 Note shall bear interest from the earliest effective date of such Determination of Taxability at a rate per annum, equal to the Taxable Rate in the manner determined below.

The Taxable Rate shall be determined pursuant to the following paragraph:

Upon the occurrence of a Determination of Taxability, the interest rate on the 2017 Note shall be adjusted to a rate equal to the interest rate otherwise borne by the 2017 Note thereby divided by (1 minus the then maximum federal corporate income tax rate applicable to the Bank) (the "Taxable Rate") calculated on the basis of a 360-day year of twelve 30-day months, as of and from the date of such Determination of Taxability would be applicable with respect to the 2017 Note (the "Accrual Date"); and (i) the District shall on the next Interest Payment Date (or if the 2017 Note shall have matured, within thirty (30) days after demand by the Bank) hereon pay to the Bank an amount equal to the sum of (1) the difference between (A) the total interest that would have accrued on the 2017 Note at the Taxable Rate from the Accrual Date to such Interest Payment Date (or payment date following such demand), and (B) the actual interest paid by the District on the 2017 Note from the Accrual Date to such Interest Payment Date (or payment date following such demand), and (2) any interest and penalties required to be paid as a result of any such Determination of Taxability; and (ii) from and after the Determination of Taxability, the 2017 Note shall continue to bear interest at the Taxable Rate for the period such determination continues to be applicable with respect to the 2017 Note. The adjustment shall survive payment of the 2017 Note until such time as the federal statute of limitations under which the interest on the 2017 Note could be declared taxable under the Code shall have expired.

Upon the occurrence and continuance of a Monetary Default the 2017 Note shall bear interest at the Default Rate.

Upon the occurrence of a Corporate Tax Rate Decrease, the interest rate on the 2017 Note shall be increased to such rate as will provide the same tax equivalent yield to the Bank; provided, however, that this rate shall in no event exceed 5.23%.

The Owner shall advise the Trustee and the District in writing within a reasonable time in good faith what amounts, if any, are owing as a result of a Determination of Taxability or any other Adjustment Event as described herein and the Trustee may conclusively rely upon such information without the duty to verify such information. In no event, however, shall the interest rate on the 2017 Note exceed the maximum rate permitted by law and the District shall

not be required to seek an interest rate waiver from the State Board of Administration. The Trustee may conclusively rely upon the information from the Bank as to the applicable interest rate and have no obligation to verify such rate or rates.

Draws. Prior to the Maturity Date, the principal of the 2017 Note shall be advanced by the Bank to the District pursuant to multiple draws (each a “Draw”) in an amount not to exceed Forty-Five Million Dollars (\$45,000,000) Outstanding at any time (which amount is reduced to Thirty-Three Million Dollars (\$33,000,000) following the issuance by the District of the first Series of Northeast Sector Bonds) (and in an aggregate principal amount, cumulative of all Draws funded by the Bank and repaid by the District, of not to exceed Seventy-Eight Million Dollars (\$78,000,000)), under the following terms and conditions:

(i) each Draw must be requested by the District (a “Draw Request”) in writing executed by an Authorized Officer of the District delivered to the Bank and the Trustee on a Business Day not less than ten (10) days (two (2) days in the case of the initial Draw) prior to such Draw substantially in the form attached hereto as Exhibit “C”;

(ii) each Draw Request shall state that the District remains in full compliance with the terms of the Indenture, that no Event of Default currently exists and no event has occurred or exists that with the passage of time or giving of notice would constitute an Event of Default with respect to the 2017 Note;

(iii) each Draw Request must confirm that the principal amount of the requested Draw, together with all prior Draws that remain Outstanding, does not exceed \$45,000,000 if such Draw Request is submitted prior to the issuance by the District of the first Series of Northeast Sector Bonds or \$33,000,000 if such Draw Request is submitted following the issuance by the District of the first Series of Northeast Sector Bonds, and that the principal amount of the requested Draw, together with all prior Draws that both remain Outstanding and that have been repaid by the District, does not exceed \$78,000,000 in the aggregate;

(iv) each Draw Request shall include a statement to the effect that the facts, estimates, circumstances and representations set forth or made (as the case may be) in the Tax Regulatory Covenants delivered in connection with the initial issuance of the 2017 Note, as amended or supplemented, if applicable, continue to exist on such date;

(v) no Draw Request shall be honored after the Maturity Date or during the existence of an Event of Default with respect to the 2017 Note unless both the District and the Bank have mutually agreed in writing;

(vi) a completed and executed form of the Requisition attached as Exhibit A to the Master Indenture; and

(vii) the conditions set forth in Section 207 of this Sixteenth Supplemental Indenture have been satisfied prior to the initial Draw.

Section 204. Denomination. The 2017 Note shall be issued in the Authorized Denomination.

Section 205. Paying Agent. The District appoints the Trustee as Paying Agent for the 2017 Note.

Section 206. Bond Registrar. The District appoints the Trustee as Bond Registrar for the 2017 Note.

Section 207. Conditions Precedent to Issuance of 2017 Note. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the 2017 Note, the 2017 Note 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 Bank upon its order, but only upon the further receipt by the Trustee of:

(a) Certified copies of the BAN Resolution, the Bond Resolution, and the Assessment Proceedings;

(b) Executed copies of the Master Indenture and this Sixteenth Supplemental Indenture;

(c) A Bond Counsel opinion addressed to the District, the Trustee and the Bank 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 2017 Note has been duly authorized, executed and delivered by the District and is a 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 2017 Note is excludable from gross income for federal income tax purposes;

(d) An opinion of Counsel to the District addressed to the District, the Trustee and the Bank 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, the District has good right and lawful authority under the Act to undertake the Northeast Sector Project being financed with the proceeds of the 2017 Note, 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, (iii) all proceedings undertaken by the District with respect to the Note Assessments have been in accordance with Florida law (iv) the District has taken all action necessary to levy and impose the Note Assessments, and (v) the Note Assessments are legal,

valid and binding liens upon the property against which such Note 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 2017 Note, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Sixteenth Supplemental Indenture;

(f) An Engineer's Certificate certifying as to the accuracy of the information set forth in the District Engineer's Report regarding the Northeast Sector Project and stating that the District has good right and lawful authority under the Act to undertake the Northeast Sector Project being financed with the proceeds of the 2017 Note;

(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) Such other documents, certificates, and opinions as shall be required by the District, the Trustee or the Bank.

Payment to the Trustee of the net amount of the initial Draw as provided in Section 402 hereof shall constitute conclusive evidence that the foregoing conditions have been met to the satisfaction of the Bank.

Section 208. Special Covenant of the District. The District hereby covenants and agrees with the Owners, from time to time, of the 2017 Note, that it will in good faith pursue and accomplish the issuance, sale and delivery of the Northeast Sector Bonds in an aggregate principal amount sufficient to pay and discharge the principal amount of the 2017 Note together with the interest accrued thereon on or before the Maturity Date. The District shall notify the Bank and the Trustee, in writing, of the issuance of the first Series of Northeast Sector Bonds.

Section 209. Transfer Restrictions. The registration of ownership of the 2017 Note may be transferred only in whole and only to a Qualified Institutional Buyer (as defined in Section 517.021(20), Florida Statutes, certified by the transferee to the Trustee in writing, on which certification the Trustee may conclusively rely. The 2017 Note shall bear a legend consistent with this Section 209.

ARTICLE III REDEMPTION OF 2017 NOTE

Section 301. 2017 Note Subject to Redemption. The 2017 Note is subject to redemption prior to maturity as provided in the form thereof set forth as **Exhibit "B"** to this Sixteenth Supplemental Indenture, notwithstanding anything contained in the Master Indenture to the contrary.

Notice of redemption shall specify the principal amount of the 2017 Note being redeemed and be by written or electronic transmission to the Owner at the physical or electronic address of such registered Owner recorded on the bond register maintained by the Bond Registrar not less than ten (10) calendar days prior to the redemption date.

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.

ARTICLE IV
DEPOSIT OF 2017 NOTE 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 2017 Note Acquisition and Construction Account; and
- (ii) a 2017 Note Costs of Issuance Account.

(b) There are hereby established within the Debt Service Fund held by the Trustee: a 2017 Note Debt Service Account and therein (i) a 2017 Note Interest Account and (ii) a 2017 Note Principal Account;

(c) There is hereby established within the Reserve Fund held by the Trustee a 2017 Note Reserve Account;

(d) There is hereby established within the Rebate Fund held by the Trustee a 2017 Note Rebate Account.

(e) The District shall deposit into the 2017 Note Principal Account in the 2017 Note Debt Service Account from the first proceeds of the Northeast Sector Bonds an amount sufficient to pay all of the Outstanding principal amount of the 2017 Note on the first date permitted hereunder for redemption thereof, and, from such proceeds shall also deposit into the 2017 Note Interest Account in the 2017 Note Debt Service Account an amount sufficient to pay all of the accrued and unpaid interest on the first date permitted hereunder for the redemption thereof and the District shall direct the Trustee to immediately proceed to call the 2017 Note for redemption as provided for herein, in the Master Indenture and in the 2017 Note. The District shall deposit into the 2017 Note Principal Account in the 2017 Note Debt Service Account Note Assessment Principal and into the 2017 Note Interest Account in the 2017 Note Debt Service Account Note Assessment Interest immediately upon receipt to be used to pay the principal of and interest on the 2017 Note, respectively, when due. The District shall provide written

direction to the Trustee to deposit any other moneys transferred by the District to the Trustee into such Funds and Accounts established hereunder as shall be set forth in such written direction and the Trustee shall follow and may conclusively rely on such written directions.

Section 402. Use of 2017 Note Proceeds. From the net proceeds of the initial Draw on the 2017 Note, in an amount of \$1,371,588 (representing the entire principal amount drawn at closing (\$1,615,088), less the Commitment Fee (\$225,000) and Bank Counsel fee (\$17,500) retained by the Bank), the following deposits shall be made on the date of issuance of the 2017 Note:

- (a) \$146,826 shall be deposited in the 2017 Note Reserve Account;
- (b) \$3,938 shall be deposited in the 2017 Interest Account;
- (c) \$482,238 shall be deposited in the 2017 Note Costs of Issuance Account to pay all or a portion of the costs of issuance of the 2017 Note; and
- (d) \$739,586 shall be deposited into the 2017 Note Acquisition and Construction Account.
- (e) On the date of each subsequent Draw, the Draw amount shall be deposited by the Bank with the Trustee as provided in the Draw Request submitted by the District to the Bank.

Section 403. 2017 Note Acquisition and Construction Account. Amounts on deposit in the 2017 Acquisition and Construction Account shall be applied to pay the Costs of the Northeast Sector Project in accordance with requisitions received by the Trustee in the form of Exhibit A to the Master Indenture.

Section 404. 2017 Note Costs of Issuance Account. There shall be deposited in the 2017 Note Costs of Issuance Account \$482,238 which shall, at the written direction of an Authorized Officer of the District, be used to pay the costs of issuance relating to the 2017 Note. After December 1, 2017, any amounts deposited in the 2017 Note Costs of Issuance Account for which there is not pending with the Trustee a requisition shall be transferred over and deposited into the 2017 Note Interest Account and used for the purposes permitted therein, and the 2017 Note Costs of Issuance Account shall be closed.

Section 405. 2017 Note Reserve Account. Amounts on deposit in the 2017 Note Reserve Account, except as provided elsewhere in the Indenture, shall be used only for the purposes set forth in Section 808 hereof and for making payments into the 2017 Note Interest Account and the 2017 Note Principal Account to pay the 2017 Note, when due, when the moneys on deposit in such Accounts and available therefor are insufficient. The Trustee shall promptly notify the District and the Owner in writing of any withdrawal from the 2017 Note Reserve Account.

All earnings on investments in the 2017 Note Reserve Account, provided no deficiency exists in the 2017 Note Reserve Account, shall be deposited to the 2017 Note Interest Account. To the extent a deficiency exists in the 2017 Note Reserve Account, investment earnings in such account shall remain in that account. Such account shall consist only of cash and Investment Obligations. 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. The District covenants that so long as the Bank is the Owner of the 2017 Note and so long as the Bank remains as a Qualified Public Depository (as defined by Chapter 280.02(26), Florida Statutes, as amended), it shall direct the Trustee to invest amounts on deposit in the 2017 Note Reserve Account with the Bank.

Notwithstanding the foregoing, on the earliest date on which there is on deposit in the 2017 Note Reserve Account, sufficient monies, taking into account other monies available therefor, to pay and redeem all of the Outstanding 2017 Note, together with accrued interest, if any, on such 2017 Note to the earliest date of redemption, then the Trustee shall use the amount on deposit in the 2017 Note Reserve Account to pay and redeem all of the Outstanding 2017 Note on the earliest possible date.

Section 406. Tax Covenants and Rebate Accounts. The District shall comply with the Tax Regulatory Covenants (including deposits to and payments from the 2017 Note Rebate Account) included as part of the closing transcript for the 2017 Note, as amended and supplemented from time to time in accordance with their terms.

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 Note 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 the 2017 Note remains Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Trustee, the 2017 Note or the Note 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 2017 Note or for as long as the 2017 Note remains Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the 2017 Note or the Note 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 2017 Note was issued by the District, the Owner of the 2017 Note is 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 Note Assessments, the 2017 Note 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 Note Assessments, the 2017 Note 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 Note 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 Note 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 Note 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 to: (i) file a proof of claim with respect to the Note Assessments, (ii) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) 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 Note 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 2017 Assessments. Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall not be required to collect Note 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 Note Assessments is platted and a distinct ad valorem property tax identification number has been assigned by the Property Appraiser thereto. If the District is not able to utilize the Uniform Collection Method for platted lots, the District may, with the written consent of the Bank, collect the Note Assessments using an alternative method; provided, however, that if the Uniform Collection Method is not legally available to the District due to reasons outside of the District's control, such consent shall not be required in order for the District to utilize a different collection method for the platted lots. 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.

Note Assessments, when levied by the District to pay debt service on the 2017 Note and collected by the District on a direct-bill basis, shall be paid within thirty (30) days of receipt of a direct-bill invoice from the District which invoice shall be delivered to the applicable landowners not later than April 1 and October 1 of each calendar year commencing on April 1, 2018.

In addition, and not in limitation of the covenants contained elsewhere in this Sixteenth 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 2017 Assessments and to levy the Series 2017 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 2017 Note, when due.

Notwithstanding anything in the Indenture to the contrary, upon the occurrence of an Event of Default, the collection of Series 2017 Assessments shall be in the manner directed by the Majority Owners.

Section 503. 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 Note Assessments, and the provision for the foreclosure of liens of delinquent Note 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 Owner. However, the 2017 Note may not be accelerated except to the extent the Note Assessments have been accelerated.

ARTICLE VI
COVENANTS OF THE DISTRICT

Section 601. Affirmative Covenants of the District. For so long as any of the principal amount of or interest on the 2017 Note is Outstanding or any duty or obligation of the District contemplated hereunder or under the 2017 Note remains unpaid or unperformed, the District covenants to the Bank as follows:

(a) The District shall pay the principal of and the interest on the 2017 Note at the time and place and in the manner provided herein and in the 2017 Note.

(b) Proceeds from the 2017 Note will only be used to finance certain public infrastructure comprising the Northeast Sector Project, fund the 2017 Note Reserve Account, pay capitalized interest on the 2017 Note and pay Costs of Issuance of the 2017 Note.

(c) The District shall within ten (10) days after it acquires knowledge thereof, notify the Bank in writing at its Notice Address upon the happening, occurrence, or existence of any Event of Default, and any event or condition which with the passage of time or giving of notice, or both, would constitute and Event of Default with respect to the 2017 Note, and shall provide the Bank with such written notice, a detailed statement by an Authorized Officer of the District of all the relevant facts and the action being taken or proposed to be taken by the District with respect thereto.

(d) The District agrees that any and all records of the District shall be open to inspection by the Bank or its representatives during normal business hours at the offices of the District.

(e) The District will take all reasonable legal action within its control in order to maintain its existence as a local unit of special-purpose government of the State, and shall not voluntarily dissolve.

(f) The District shall promptly inform the Bank in writing of any actual or potential contingent liabilities or pending or threatened litigation of any amount that could reasonably be expected to have a material and adverse effect upon the financial condition of the District or upon the ability of the District to perform its obligation under the 2017 Note.

(g) The District shall maintain such liability, casualty and other insurance as is reasonable and prudent for similarly situated independent special districts of the State and shall upon request of the Bank, provide evidence of such coverage to the Bank.

(h) The District is in compliance and shall comply with all applicable federal, state and local laws and regulatory requirements.

(i) In the event the 2017 Note should be subject to the excise tax, or any similar tax, the District shall pay such taxes or reimburse the Bank for any such taxes paid by it.

(j) The District will cause an audit to be completed of its books and accounts and shall furnish to the Bank within nine (9) months after the end of each fiscal year audited year-end financial statements of the District certified by an independent certified public accountant to the effect that such audit has been conducted in accordance with generally accepted auditing standards and stating whether such financial statements present fairly in all material respects the financial position of the District and the results of its operations and cash flows for the periods covered by the audit report, all in conformity with generally accepted accounting principles applied on a consistent basis. Such financial statements shall include a balance sheet and statement of revenues, expenditures and changes in fund balances, with comparative figures to the prior year and including a comparison of actual results to budgeted projections.

(k) The District shall adopt an annual budget as required by law. The District covenants that, so long as the 2017 Note shall remain unpaid, it will appropriate in its annual budget, by amendment, if required, amounts sufficient to pay the principal of and interest on the 2017 Note as the same shall become due. In the event that the amount previously budgeted for such purpose is at any time insufficient to pay such principal and interest on the 2017 Note, the District covenants to use its best efforts to take immediate action to amend its budget so as to budget and appropriate an amount sufficient to pay such debt service on the 2017 Note. The District shall provide the Bank with a copy of its annual operating budget for each fiscal year not later than forty-five (45) days after the commencement thereof. The budget shall specifically detail the Note Assessments and any other special assessments to be levied by the District with respect to such fiscal year.

(l) The District shall maintain records with respect to the Note Assessments which shall be updated as Note Assessments are collected. The records shall detail Note Assessments (i) levied to date on a parcel-by-parcel basis, and (ii) collected to date. An annual report setting forth the foregoing information will be provided to the Bank at such times, and in such format as the Bank may reasonably request. Upon the occurrence of an Event of Default with respect to the 2017 Note, the District will, upon request of the Bank, and payable from the 2017 Note Reserve Account, engage the services of a consultant reasonably acceptable to the Bank to assist the District in levying Note Assessments until such time as the default is cured.

(m) Commencing with the tax roll adopted during the year 2017, the District shall provide the Bank the certified assessment roll detailing the Note Assessments, if any, to be imposed for each tax year within thirty (30) days of the date such roll becomes available.

(n) The Northeast Sector Project, is and will be owned by the District or another political subdivision of the State of Florida and the Northeast Sector Project shall be available

for use by the general public on the same basis, subject only to conditions imposed by the District or another political subdivision of the State of Florida as may be necessary to protect the health, safety and general welfare of the District and its inhabitants, visitors, property owners and workers or to protect such Northeast Sector Project from damage, misuse, or destruction. The District shall observe and perform all of the terms and conditions contained in the Act, and shall comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Northeast Sector Project. To the extent the District maintains any portion of the Northeast Sector Project, the District shall levy operation and maintenance assessments as shall be necessary to provide for the maintenance of such portion of the Northeast Sector Project maintained by the District.

Section 602. Negative Covenants of the District. For so long as any of the principal amount of or interest on the 2017 Note is Outstanding or any duty or obligation of the District contemplated hereunder or under the 2017 Note remains unpaid or unperformed, the District covenants to the Bank as follows:

(a) The District shall not alter, amend or repeal the Assessment Proceedings, or take any action impairing the authority thereby or hereby given with respect to the Note Assessments, or the payment of the 2017 Note, without the prior written approval of the Bank which approval shall not be unreasonably withheld; provided, however, that the District may amend and supplement the Assessment Proceedings to expand the assessment area in connection with the issuance of Northeast Sector Bonds, without the prior written consent of the Bank.

(b) The District shall not create or permit any pledge, assignment, mortgage or lien on the Note Assessments or the Northeast Sector Project other than in connection with the issuance of the Northeast Sector Bonds, the proceeds of which are used to redeem the 2017 Note in its entirety.

(c) The District shall not dispose of any of the Northeast Sector Project other than in the ordinary course of business.

(d) The District shall not loan money or make advances or other extensions of credit to other persons or entities except in the normal of course the District's operations.

ARTICLE VII EVENTS OF DEFAULT

Section 701. Events of Default. Section 902 of the Master Indenture is hereby amended and restated with respect to the 2017 Note as follows:

Each of the following events is hereby declared to be an "Event of Default" with respect to the 2017 Note:

(a) a Monetary Default; or

(b) the District shall default in the performance of or compliance with any term or covenant contained in the Indenture, which default or noncompliance shall continue and not be cured within thirty (30) days after (i) notice thereof to the District by the Bank; or (ii) the Bank is notified of such noncompliance or should have been so notified, whichever is earlier; provided, however, if the District is diligently pursuing a remedy, then the cure period is extended to ninety (90) days; or

(c) any representation or warranty made in writing by or on behalf of the District in any agreement relating to the 2017 Note shall prove to have been false or incorrect in any material respect on the date made or reaffirmed; or

(d) the District admits in writing its inability to pay its debts generally as they become due or files a petition in bankruptcy or makes an assignment for the benefit of creditors or consents to the appointment of a receiver or trustee for itself; or

(e) the District is adjudged insolvent by a court of competent jurisdiction, or it is adjudged a bankrupt on a petition in bankruptcy filed by or against the District, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property, and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof; or

(f) the District shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or the State of Florida; or

(g) the District shall default in the due and punctual payment or performance of covenants under any obligation for the payment of money to the Bank or any other subsidiary or affiliate of the Bank; or

(h) a judgment or order shall be rendered against the District for the payment of money in excess of \$250,000 and such judgment or order shall continue unsatisfied or unstayed for a period of more than 30 days; provided, however, if the district is diligently pursuing a remedy, then the cure period is extended to ninety (90) days.

ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 801. Foreclosure of Assessment Lien. Notwithstanding any provisions of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2017 Assessments and 2017 Note.

If any property shall be offered for sale for the nonpayment of any Series 2017 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2017 Assessments for such property (principal, interest, penalties

and costs, plus attorneys' fees, if any), the property may (but is not required to be) then be purchased by the District for an amount greater than or equal to the balance due on the Series 2017 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 2017 Note; provided that the Trustee shall have the right, acting at the direction of the Owner, 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 2017 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 2017 Note within sixty (60) days after the receipt of the request therefore signed by the Trustee or the Owner. The Trustee may, upon direction from the Owner, 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 802. Interpretation of Sixteenth Supplemental Indenture. This Sixteenth Supplemental Indenture amends and supplements the Master Indenture with respect to the 2017 Note, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Sixteenth Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and this Sixteenth Supplemental Indenture shall be read and construed as one document.

Section 803. Amendments. No amendment to this Sixteenth Supplemental Indenture shall be made without the written consent of the Bank, so long as the Bank is the Owner of the 2017 Note.

Section 804. Counterparts. This Sixteenth 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 805. Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this Sixteenth Supplemental Indenture are hereby incorporated herein and made a part of this Sixteenth Supplemental Indenture for all purposes.

Section 806. Payment Dates. In any case in which an Interest Payment Date or the Maturity Date of the 2017 Note or the date fixed for the redemption of any 2017 Note 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 807. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Owner of the 2017 Note.

Section 808. Use of 2017 Note Acquisition and Construction Account Moneys and Other Trust Funds. Upon the occurrence of an Event of Default, moneys in the Series 2017 Note Acquisition and Construction Account and the Note 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 809. Bond Year. The Bond Year for the 2017 Note shall mean May 1-April 30.

Section 810. Waiver of Jury Trial. THE DISTRICT, THE TRUSTEE AND THE OWNER WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THE INDENTURE, THE 2017 NOTE AND/OR THE NOTE TRUST ESTATE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE DISTRICT, THE TRUSTEE AND THE BANK, AS THE INITIAL OWNER. THE DISTRICT, THE TRUSTEE AND THE BANK, AS THE INITIAL OWNER, EACH ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF A PARTY TO THE INDENTURE HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THE DISTRICT, THE TRUSTEE AND THE BANK, AS THE INITIAL OWNER FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THE INDENTURE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

Section 811. Notices. Any notice to be provided to the District or the Trustee under the Indenture with respect to the 2017 Note shall be provided to the Bank at the Notice Address so long as the Bank is the Owner of the 2017 Note.

ARTICLE IX

THE TRUSTEE; THE PAYING AGENT AND BOND REGISTRAR

Section 901. 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 2017 Note.

Section 902. Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this Sixteenth Supplemental Indenture by the District or for the recitals contained herein (except for the certificate of authentication on the 2017 Note), 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 903. 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.

[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 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

By: [Signature]
Chairman, Board of Supervisors

ATTEST:

By: [Signature]
Secretary

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

By: _____
Vice President

IN WITNESS WHEREOF, Lakewood Ranch Stewardship District has caused these presents to be signed in its name and on its behalf by its 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: _____
Chairman, Board of Supervisors

ATTEST:

By: _____
Secretary

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By:  _____
Vice President

EXHIBIT "A"

Description of Northeast Sector Project

See Engineer's Report Dated August 4, 2017.

EXHIBIT "B"

Form of the 2017 Note

EXHIBIT "C"
FORM OF DRAW REQUEST

DRAW REQUEST NO. ____

Florida Community Bank, N.A.
2325 Vanderbilt Beach Road
Naples, FL 34109

The Lakewood Ranch Stewardship District (the "District") does hereby make the following Draw Request made pursuant to a Master Trust Indenture dated as of September 1, 2005, as supplemented by a Sixteenth Supplemental Trust Indenture dated as of September 1, 2017, each by and between the District and U.S. Bank National Association, as Trustee (together, the "Indenture"). All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto pursuant to the Indenture.

1. The principal amount of this draw shall be \$ _____ and the draw date shall be _____, _____. The Draw shall be made under the 2017 Note. The principal amount of this requested Draw, together with all prior Draws that remain Outstanding, does not exceed [\$45,000,000][\$33,000,000] and the principal amount of this requested Draw, together with all prior Draws that both remain Outstanding and that have been repaid by the District, does not exceed \$78,000,000 in the aggregate. The wire instructions for the transfer are as follows:

[WIRE INSTRUCTIONS FOR TRUSTEE]

For
Credit to:

[list applicable trust accounts]

2. The District represents and warrants that (a) it remains in full compliance with the terms of the Indenture, (b) no Event of Default under the Indenture currently exists, (c) no Event of Default currently exists and no event has occurred that with the passage of time or giving of notice would constitute an Event of Default, (d) the facts, estimates, circumstances and representations set forth or made (as the case may be) in the Tax Regulatory Covenants delivered in connection with the initial issuance of the 2017 Note continue to exist on the date hereof, and (e) all of the conditions precedent to the Draw requested hereby set forth in the Indenture have been satisfied.

Dated _____, ____.

LAKEWOOD RANCH STEWARDSHIP DISTRICT

By: _____
Name: _____
Title: _____