

## RESOLUTION

A RESOLUTION BY THE PINELLAS INDUSTRIAL DEVELOPMENT AUTHORITY APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO LOAN AGREEMENT AMENDING CERTAIN PROVISIONS OF A LOAN AGREEMENT RELATING TO THE AUTHORITY'S OUTSTANDING SERIES 2011 BOND; PROVIDING FOR A NEW SERIES 2011 BOND; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF ALL OTHER RELATED INSTRUMENTS; PROVIDING FOR OTHER MISCELLANEOUS MATTERS IN CONNECTION WITH THE FOREGOING; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the Pinellas Industrial Development Authority doing business as the Pinellas County Economic Development Authority (the "Authority") previously issued its Industrial Development Revenue Bond (Nautical Structures Industries Project), Series 2011 in the original principal amount of \$5,000,000 (the "Series 2011 Bond"), the proceeds of which were loaned (the "Loan") to Nautical Structures Industries, Inc. (the "Borrower") to (i) finance the acquisition of approximately 5 acres of land and a building located at 7301 114th Avenue North, Pinellas Park, Florida, within the limits of Pinellas County, Florida, (ii) to finance the addition and/or renovation to the existing building and manufacturing equipment, and (iii) to finance the purchase of equipment (collectively, the "Project");

**WHEREAS**, the Loan was funded from the proceeds of the sale of the Series 2011 Bond to Branch Banking and Trust Company (together with its successors and assigns as registered owner of the Bond), as bondholder (the "Bondholder");

**WHEREAS**, under the Loan Agreement dated as of June 1, 2011 (the "Original Loan Agreement"), among the Borrower and the Authority the Borrower agreed to repay the Loan;

**WHEREAS**, the Borrower and the Bondholder now desire to amend the Original Loan Agreement to modify the interest rate applicable to the Series 2011 Bond, the prepayment provisions, and various other matters (the "Amendment"), which, as of the date hereof, will result in a period during which a fixed interest rate shall apply to the Series 2011 Bond;

**WHEREAS**, the Borrower and the Bondholder have requested that the Authority replace the Series 2011 Bond with a new form of Series 2011 Bond to be numbered R-2 reflecting the Amendment and have requested that the Authority assist the Borrower in order to undertake the necessary actions; and

**WHEREAS**, it is necessary and desirable to approve the form of and authorize the execution and delivery of a First Amendment to Loan Agreement (the "First Amendment, together with Original Loan Agreement, the "Loan Agreement") in substantially the form attached hereto as Exhibit A and incorporated herein by reference to, *inter alia*, specify the new

interest rate applicable to the new replacement Series 2011 Bond as described in Section 6 below.

**NOW, THEREFORE, BE IT RESOLVED BY THE PINELLAS INDUSTRIAL DEVELOPMENT AUTHORITY THAT:**

Section 1. This resolution, hereinafter called the "Resolution," is adopted pursuant to the laws of the State of Florida (the "State"), including the Constitution of the State and Chapter 159, Parts II and III, Florida Statutes, as amended (collectively, the "Act").

Section 2. Unless the context otherwise requires, the terms used in this Resolution in capitalized form and not otherwise defined herein shall have the meanings specified herein and in the Loan Agreement, as amended. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

Section 3. The Authority hereby finds, determines and declares as follows:

(a) The Authority is authorized under the Act to enter into the First Amendment as herein contemplated and to fully perform the obligations of the Authority in connection therewith in order to promote the economy of Pinellas, increase and preserve opportunities for gainful employment and purchasing power, improve the educational opportunities, prosperity and welfare of the State of Florida and its inhabitants, and otherwise contribute to the prosperity, health and welfare of Pinellas, and the inhabitants thereof.

(b) Based solely upon information provided by the Borrower, the Project shall continue to be "manufacturing facility" and a "project" within the meaning and contemplation of the Act, is appropriate to the needs and circumstances of, and shall continue to make a significant contribution to the economic growth of Pinellas, Florida, shall continue to provide or preserve gainful employment and shall continue to serve a public purpose by advancing the economic prosperity, and the general welfare of the State of Florida and its people and by improving living conditions within the State of Florida.

(c) Based solely upon information provided by the Borrower, Pinellas County, Florida, will continue to be able to cope satisfactorily with the impact of the Project and will continue to provide, or cause to be provided when needed, the public facilities, including utilities and public services that will be necessary for the operation, repair and maintenance of the Project and on account of any increases in population or other circumstances resulting therefrom.

(d) Adequate provision has been made in the Loan Agreement for the operation, repair and maintenance of the Project at the expense of the Borrower and for the repayment by the Borrower of the loan in installments sufficient to pay the principal of and the interest on the Series 2011 Bond and all costs and expenses relating thereto in the amounts and at the times required.

(e) Based solely upon information provided by the Borrower, the Borrower shall continue to be financially responsible based on the criteria established by the Act, the Borrower is fully capable and willing to fulfill its obligations under the Loan Agreement, as amended, including the obligation to repay the loan in installments in the amounts and at the times required, the obligation to, in lieu of its own expense, to operate, repair and maintain the Project and such other obligations and responsibilities as are imposed under the Loan Agreement, as amended. The payments to be made by the Borrower to the Authority and the other security provided by the Loan Agreement, as amended, as those terms are hereinafter defined, are adequate within the meaning of the Act for the security of the Series 2011 Bond.

(f) The Authority is not obligated to pay the Series 2011 Bond except from the proceeds derived from the repayment of the Loan by the Borrower, or from the other security pledged therefor, and neither the faith and credit of the Authority or the State of Florida or any political subdivision thereof, nor the taxing power of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Series 2011 Bond. The Authority has no taxing power.

(g) The Authority and the Borrower will, concurrently with the Amendment, execute the documentation required for the reissuance of the Series 2011 Bond, as contemplated hereby to effectuate the Amendment.

(h) The Authority has been advised that due to the desire to coordinate the Amendment and due to the limited market for tax-exempt obligations such as the Series 2011 Bond, it is in the best interest of the Borrower to continue to have the Series 2011 Bond placed with the Bondholder, and the Authority, wishing to change the interest rate on the Series 2011 Bond at the request of the Borrower, has determined to continue to have the Series 2011 Bond placed with the Bondholder, permitting the Borrower to arrange the most advantageous rates and terms, rather than at a specified advertised date, and accordingly it is in the best interest of the Authority that a negotiated placement of the Series 2011 Bond be authorized on behalf of the Borrower.

Section 4. As authorized by and in conformity with the Act, it is desirable and in the public interest that the Authority authorize the Amendment pursuant to the First Amendment, and the execution and delivery of the First Amendment. The form of the First Amendment attached hereto as Exhibit A is hereby approved, with such changes, alterations and corrections as may be approved by the Chairman, such approval to be conclusively presumed by the execution thereof by the Chairman.

Section 5. The Authority and the officers, employees and agents of the Authority acting on behalf of the Authority are hereby authorized and directed to execute such documents, instruments, assignments, a tax agreement, an assignment or re-assignment of a replacement or amended promissory note of the Borrower, tax returns, and certifications, whether or not expressly contemplated hereby, and to do all acts and things required by the provisions of this Resolution and by the provisions of the Loan Agreement and the Amendment as may be necessary for the

full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution, or as may be requested by the Bondholder or the Borrower. The Chairman, Vice Chairman, Executive Director and the Secretary are hereby designated the primary officers of the Authority charged with the responsibility of effectuating the Amendment, and the Chairman, Vice Chairman or Executive Director are hereby authorized to delegate to any other person any of the duties or authorizations of the Chairman, Vice Chairman, Executive Director or the Secretary hereunder.

Section 6. For the purpose of reflecting the Amendment, there is hereby approved and authorized to be issued under this Resolution a new form of the Series 2011 Bond, in the aggregate principal amount of not to exceed \$4,003,900, and to replace the Series 2011 Bond R-1 with the Series 2011 Bond which is to continue to be R-2 designated "Pinellas County Industrial Development Authority Industrial Development Revenue Bond (Nautical Structures Industries Project), Series 2011." The Series 2011 Bond R-2 shall be issued as a fully registered Bond, shall be dated as of the date of reissuance, shall mature, shall bear interest at the rates and shall have such other terms and conditions, and shall be in the form of, the Series 2011 Bond R-2 attached hereto as Exhibit B, with such changes, alterations and corrections as may be approved by the Chairman, such approval to be conclusively presumed by the execution thereof by the Chairman.

Section 7. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, and this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained herein. This Resolution is adopted and the First Amendment shall be executed with the intent that the laws of the State of Florida shall govern their construction, except as shall otherwise be expressly provided by the terms thereof.

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Section 8. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this \_\_\_\_\_ day of September, 2018.

**PINELLAS COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY d/b/a PINELLAS  
COUNTY ECONOMIC DEVELOPMENT  
AUTHORITY**

(SEAL)

By: \_\_\_\_\_

Name: Kenneth T. Welch

Title: Chairman

ATTEST:

By: \_\_\_\_\_

Name: Mike Meidel

Title: Executive Director

**APPROVED AS TO FORM**

By:  \_\_\_\_\_

Office of the County Attorney

**EXHIBIT A**

**FORM OF FIRST AMENDMENT TO LOAN AGREEMENT**

**EXHIBIT B**

**FORM OF THE BOND R-2**