

SINKING FUND ESCROW DEPOSIT AGREEMENT

THIS SINKING FUND ESCROW DEPOSIT AGREEMENT, dated as of September 1, 2020 (this "Agreement"), is by and between BROWARD COUNTY, FLORIDA, a political subdivision of the State of Florida, duly organized and existing under the Constitution of the State of Florida (the "County"), and REGIONS BANK, a banking corporation duly organized and existing under the laws of the State of Alabama, qualified to do business in the State of Florida as escrow agent hereunder, as Escrow Agent and its successors and assigns (the "Escrow Agent");

WITNESSETH:

WHEREAS, on August 20, 2019, the Board of County Commissioners of Broward County, Florida (the "County") adopted that certain Amended and Restated Master Bond Resolution, Resolution No. 2019-374 (the "Master Bond Resolution");

WHEREAS, capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in Section 1 hereof;

WHEREAS, the County previously issued Senior Lien Bonds pursuant to the Master Bond Resolution;

WHEREAS, Section 5.12(d)(iv) of the Master Bond Resolution provides that any monies in the General Fund after satisfaction of the requirements of Section 5.12(a) – (c) thereof, may, *inter alia*, be applied by the County for any lawful purpose of the County;

WHEREAS, as of the date hereof, the County has excess, unrestricted monies in the General Fund;

WHEREAS, Section 5.02 of the Master Bond Resolution provides that the deposit to the credit of the Sinking Fund in any Fiscal Year of an amount in excess of the amounts required under the Master Bond Resolution shall be taken into account in adjusting the rates, fees, rentals and other charges for any subsequent Fiscal Years;

WHEREAS, the County has determined, upon the advice of Hilltop Securities Inc., as financial advisor to the County, to transfer \$[_____] of legally available monies of the County on deposit in the General Fund pursuant to Section 5.12(d) of the Master Bond Resolution (the "FY2020 Excess Sinking Fund Deposit") to the Senior Lien Sinking Fund, in Fiscal Year 2020, for the purpose of satisfaction of the rate covenant and adjusting the rates, fees, rentals and other charges for Fiscal Year 2021, in satisfaction of the requirements of Section 5.02 of the Master Bond Resolution;

WHEREAS, as further security for the FY2020 Excess Sinking Fund Deposit, the County has determined to deposit the FY2020 Excess Sinking Fund Deposit into a special sinking fund escrow deposit trust fund hereunder (the "FY2021 Senior Lien Sinking Fund Escrow Account") to purchase certain Escrow Securities (the "FY2021 Senior Lien Sinking Fund Escrow Securities"), which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay debt service on Senior Lien Bonds due and payable in Fiscal Year 2021, all as provided herein; and

WHEREAS, the execution and delivery of this Agreement and full performance of the provisions hereof shall be taken into account for the purposes of and in accordance with the requirements of Section 5.02 of the Master Bond Resolution.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the County and the Escrow Agent agree as follows:

SECTION 1. Definitions. Capitalized terms not specifically defined herein shall have the meanings given to them in the Master Bond Resolution. In addition to the words and terms elsewhere defined in this Agreement and in the Bond Resolution, the following words and terms as used in this Agreement shall have the following meanings unless the context or use indicates another or different meaning or intent:

(a) "Bond Counsel" means Bryant Miller Olive P.A., as bond counsel, or any other law firm or firms nationally-recognized in the area of public finance acceptable to the County.

(b) "Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

(c) "EMMA" means the Electronic Municipal Market Access (EMMA) system maintained by the Municipal Securities Rulemaking Board.

(d) "FY2021 Annual Debt Service" means the principal, interest, and redemption premium, if any, on the Senior Lien Bonds coming due in Fiscal Year 2021 as shown on Schedule A attached hereto and made a part hereof.

(e) "FY2021 Senior Lien Sinking Fund Escrow Account" means the account hereby created and entitled the "FY2021 Senior Lien Sinking Fund Escrow Account" established and held by the Escrow Agent pursuant to this Agreement in which cash and investments will be held for payment of FY2021 Annual Debt Service as such become due and payable.

SECTION 2. Deposit of Funds. The County hereby deposits \$[_____] with the Escrow Agent for deposit into the FY2021 Senior Lien Sinking Fund Escrow Account, in immediately available monies, which monies the Escrow Agent acknowledges receipt of, to be held in irrevocable escrow (the "Escrow Funds") by the Escrow Agent separate and apart from any other monies of the Escrow Agent and applied solely as provided in this Agreement. An amount equal to \$[_____] of such monies are being derived from legally available monies of the County on deposit in the General Fund pursuant to Section 5.12(d)(iv) of the Master Bond Resolution. The County represents that the FY2021 Senior Lien Sinking Fund Escrow Securities, the interest to be earned thereon, and the cash deposited to the FY2021 Senior Lien Sinking Fund Escrow Account are at least equal to the FY2021 Annual Debt Service as of the date of such deposit.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) to hold the monies and investments purchased pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Senior Lien Bonds;

(b) to immediately invest \$[_____] of such monies derived from legally available monies of the County in the FY2021 Senior Lien Sinking Fund Escrow Securities set forth on Schedule C attached hereto and to hold such securities and \$[_____] of such monies in cash in accordance with the terms of this Agreement;

(c) in the event the FY2021 Senior Lien Sinking Fund Escrow Securities described on Schedule C cannot be purchased, substitute Escrow Securities may be purchased upon the written direction of the County; and

(d) there will be no investment or reinvestment of monies except as set forth in this Section 3 and except as set forth in Section 5.

SECTION 4. Payment of Bonds and Expenses.

(a) Repayment of Senior Lien Bonds. On the dates and in the amounts set forth on Schedule A, the Escrow Agent shall transfer to the Paying Agent in immediately available monies, solely from amounts available in the FY2021 Senior Lien Sinking Fund Escrow Account, a sum sufficient to pay that portion of the FY2021 Annual Debt Service coming due on such dates, as shown on Schedule A.

(b) Expenses. The County shall pay the fees and expenses of the Escrow Agent as set forth on Schedule B attached hereto and, in addition, shall reimburse Escrow Agent for all of its reasonable out-of-pocket expenses, including attorneys' fees, telephone and facsimile

transmission costs, postage (including express mail and overnight delivery charges), copying charges and the like. All of the compensation and reimbursement obligations set forth in this Section 4 shall be payable by County upon demand by Escrow Agent. The obligations of County under this Section 4 shall survive any termination of this Escrow Agreement and the resignation or removal of Escrow Agent.

(c) Surplus. After making the payments from the FY2021 Senior Lien Sinking Fund Escrow Account described in Subsections 4(a) and (b) above, the Escrow Agent shall retain in the FY2021 Senior Lien Sinking Fund Escrow Account any remaining cash in the FY2021 Senior Lien Sinking Fund Escrow Account in excess of the FY2021 Annual Debt Service until the termination of this Agreement pursuant to the terms of Section 13 hereof, and shall then pay any remaining monies to the County within two (2) Business Days for deposit by the County into the General Fund and applied pursuant to the provisions of Section 5.12 of the Master Bond Resolution.

(d) Priority of Payments. The holders of the Senior Lien Bonds shall have an express first priority security interest in the monies and Escrow Securities in the FY2021 Senior Lien Sinking Fund Escrow Account until such monies and Escrow Securities are used and applied as provided in this Agreement.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and in this Section, the Escrow Agent shall have no power or duty to invest any monies held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the FY2021 Senior Lien Sinking Fund Escrow Securities held hereunder.

(b) At the written request of the County and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the FY2021 Senior Lien Sinking Fund Escrow Securities acquired hereunder and shall substitute other Escrow Securities and reinvest any excess receipts in Escrow Securities. The County will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Senior Lien Bonds to be included in the gross income of the holders thereof for purposes of Federal income taxation. The transactions may be effected only if (i) the County shall certify or opine in writing to the Escrow Agent that Escrow Securities, interest to be earned thereon, and cash remaining on hand after the transactions are completed will, assuming no reinvestment or any earnings, be not less than the FY2021 Annual Debt Service, and that reinvestment in such Escrow Securities will not postpone the anticipated transfer of moneys from the FY2021 Senior Lien Sinking Fund Escrow Account to the Paying Agent pursuant to Subsection 4(a) hereof, and (ii) the Escrow Agent shall receive an opinion from Bond Counsel to the effect that the transactions, in and by themselves, will not cause interest on the Senior Lien Bonds to be included in the gross income of the holders thereof for

purposes of Federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(c) above notwithstanding, cash in excess of the FY2021 Annual Debt Service caused by substitution of Escrow Securities shall, as soon as practical, be paid to the County for deposit into the General Fund and applied in accordance with Section 5.12 of the Master Bond Resolution. Notwithstanding any provision of this Agreement to the contrary, no forward purchase agreement relating to the future reinvestment of cash held hereunder shall be executed unless the following condition is met: to the extent one or more Rating Agencies has an outstanding rating on the Senior Lien Bonds, at least one of such Rating Agencies must give written confirmation that it will not lower or withdraw the rating as a result of the County's execution of such forward purchase agreement. In the event of any inconsistency between the terms and conditions of such forward purchase agreement and this Agreement, the terms and conditions of this Agreement shall control.

SECTION 6. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the FY2021 Senior Lien Sinking Fund Escrow Account, the acceptance of the monies deposited therein, the purchase of the FY2021 Senior Lien Sinking Fund Escrow Securities, the retention of the cash or the proceeds thereof or for any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent or non-willful act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be responsible for its negligent or willful failure to comply with its duties required hereunder, and its negligent or willful acts, omissions or errors hereunder. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the County, at the County's expense, and in reliance upon the opinion of such counsel, shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the County.

SECTION 7. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the County and the Paying Agent not less than sixty (60) days before such resignation shall take effect. Such resignation shall not take effect until the appointment and acceptance of a new Escrow Agent hereunder.

SECTION 8. Removal of Escrow Agent.

(a) In case the Escrow Agent hereunder shall resign, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, or for any other reason, the Escrow Agent may be removed and a successor may be appointed by the County by an instrument executed and signed by an Authorized County Representative.

(b) The Escrow Agent may not be removed until a successor Escrow Agent has been appointed in the manner set forth herein and has accepted its duties as Escrow Agent.

SECTION 9. Successor Escrow Agent.

(a) Every such Escrow Agent appointed pursuant to the provisions of this Section 9 shall be a trust company or bank in good standing, within or outside the State of Florida, having a reported capital and surplus of not less than \$100,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(b) Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the County an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor, but such predecessor shall nevertheless, on the written request of the County, or of its successor, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities, monies and Reserve Account Credit Facilities held by it as Escrow Agent hereunder to its successor. Should any instrument in writing from the County be required by any successor trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall, on request, be executed acknowledged and delivered by the County.

SECTION 10. Payment to Escrow Agent. The Escrow Agent hereby acknowledges that it has agreed to accept compensation under this Agreement pursuant to the terms of Schedule B attached hereto for services to be performed by the Escrow Agent pursuant to this Agreement, plus reasonable out-of-pocket expenses to be reimbursed at cost from legally available monies of the County. The Escrow Agent shall not be compensated from amounts on deposit in the FY2021 Senior Lien Sinking Fund Escrow Account, and the Escrow Agent shall have no lien or claim against monies in the FY2021 Senior Lien Sinking Fund Escrow Account for payment of obligations due it under this Section.

SECTION 11. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the FY2021 Annual Debt Service has been paid and discharged in accordance with the proceedings authorizing the Senior Lien Bonds and in the amounts set forth on Schedule A, except as provided in Section 6.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the County or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, while such covenant or agreements herein contained shall be null and void, they shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Amendments to this Agreement. The County and the Escrow Agent may, without the consent of or notice to any of the Bondholders or Credit Providers, enter into amendments and supplements to this Agreement. The Escrow Agent shall, at its option, be entitled to request, at the County's expense, and rely exclusively upon an opinion of Bond Counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Senior Lien Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 14. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 15. Governing Law; Venue. This Agreement shall be governed by and construed under the laws of the State of Florida and venue with respect to any proceedings regarding this Agreement shall be in Broward County, Florida.

[Remainder of Page Intentionally Left Blank | Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

BOARD OF COUNTY COMMISSIONERS
OF BROWARD COUNTY, FLORIDA

(SEAL)

By: _____
Title: County Administrator, as
ex officio Clerk of the Board of
County Commissioners

By: _____
Title: Mayor

BRYANT MILLER OLIVE P.A.

Approved as to Form by
Bond Counsel

[Signature Page | Escrow Deposit Agreement]

REGIONS BANK, as Escrow Agent

By: _____

Name: Janet Ricardo

Title: Vice President

[Signature Page | Escrow Deposit Agreement]

SCHEDULE A

FY2021 ANNUAL DEBT SERVICE

[Follows.]

SCHEDULE B

PAYMENTS OF FEES TO BE MADE TO
ESCROW AGENT

[To come.]

SCHEDULE C

SECURITIES ON DEPOSIT
IN ESCROW ACCOUNT

[Follows.]