

ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT, dated as of May ___, 2020 (this "Agreement"), by and between the **CITY OF NORTH PORT, FLORIDA**, a municipal corporation organized and existing under the laws of the State of Florida (the "City"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, having its designated corporate trust office in Ft. Lauderdale, Florida, as escrow agent hereunder (the "Escrow Agent").

WHEREAS, the City has heretofore issued its City of North Port, Florida Transportation Improvement Assessment Bonds, Series 2013 (the "Series 2013 Bonds"), pursuant to Ordinance No. 2013-15 enacted by the City on July 22, 2013, as amended and supplemented (collectively, the "Ordinance"); and

WHEREAS, the City has determined to exercise its option under the Ordinance to refund a portion of the outstanding Series 2013 Bonds (the "Refunded Bonds") as described in Schedule A hereto; and

WHEREAS, the City has determined to issue \$ _____ principal amount of its Taxable Capital Improvement Refunding Revenue Note, Series 2020 (the "Series 2020 Note"), a portion of the proceeds of which Series 2020 Note, together with other legally available moneys of the City, will be used to provide payment for the Refunded Bonds and to discharge and satisfy the pledges, liens and other obligations of the City under the Ordinance in regard to such Refunded Bonds; and

WHEREAS, the issuance of the Series 2020 Note, the purchase by the Escrow Agent of the hereinafter defined Escrow Securities, the deposit of such Escrow Securities into the herein defined Escrow Fund and the payment and discharge of the Refunded Bonds in accordance with the Ordinance shall occur as a simultaneous transaction; and

WHEREAS, this Agreement is intended to effectuate such simultaneous transaction;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

SECTION 1. PREAMBLES. The recitals stated above are true and correct and incorporated herein.

SECTION 2. RECEIPT OF ORDINANCE AND VERIFICATION REPORT. Receipt of a true and correct copy of the above-mentioned Ordinance and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Ordinance, including but not limited to Article III and Section 8.01 thereto, are incorporated herein by reference. The Escrow Agent also acknowledges receipt of the verification report of _____, dated May ___, (the "Verification Report"). Reference herein to or citation herein of any provisions of the Ordinance or the Verification Report shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

SECTION 3. PAYMENT AND DISCHARGE OF REFUNDED BONDS. The City by this writing exercises its option to cause the pledge of the Pledged Revenues (as defined in the Ordinance), and all

covenants, agreements and other obligations of the City to the holders of the Refunded Bonds to cease, terminate and become void and be discharged and satisfied.

SECTION 4. ESTABLISHMENT OF ESCROW FUND. There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "City of North Port, Florida Transportation Improvement Assessment Bonds, Series 2013 Escrow Deposit Trust Fund" (the "Escrow Fund"). The Escrow Fund shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds, separate and apart from other funds and accounts of the City and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of \$_____ received from proceeds of the Series 2020 Note (the "Note Proceeds") and the sum of \$_____ received from the City from moneys on deposit in certain funds and accounts allocable to the Refunded Bonds (the "City Moneys").

SECTION 5. DEPOSIT OF MONEYS AND SECURITIES IN ESCROW FUND. The City hereby directs and the Escrow Agent represents and acknowledges that, concurrently with the deposit of the Note Proceeds and the City Moneys under Section 4 above, it has used [all of the] Note Proceeds and \$_____ of the City Moneys to purchase on behalf of and for the account of the City, Government Obligations (as defined in the Ordinance) and/or Prerefunded Obligations (as defined in the Ordinance) (collectively, together with any other securities which may be on deposit, from time to time, in such Escrow Fund, the "Escrow Securities"), which are described in Schedule B hereto, and the Escrow Agent will deposit such Escrow Securities and \$_____ in cash (the "Cash Deposit") in the Escrow Fund as shown in Schedule B.

In the event any of the Escrow Securities described in Schedule B hereto are not available for delivery on or before May ____, 2020, the Escrow Agent may, at the written direction of the City and with the approval of Bond Counsel, substitute the Escrow Securities with United States Treasury obligations and shall credit such other obligations to the Escrow Fund and hold such obligations until the aforementioned Escrow Securities have been delivered. Bond Counsel shall, as a condition precedent to giving its approval, require the City to provide it with a revised Verification Report in regard to the adequacy of the Escrow Securities, taking into account the substituted obligations to pay the Refunded Bonds in accordance with the terms hereof. The Escrow Agent shall in no manner be responsible or liable for failure or delay of Bond Counsel or the City to promptly approve the substitutions of other United States Treasury obligations for the Escrow Fund.

SECTION 6. SUFFICIENCY OF ESCROW SECURITIES AND THE CASH DEPOSIT. In reliance upon the Verification Report, the City represents that the Cash Deposit in the Escrow Fund and the interest on and the principal amounts successively maturing on the Escrow Securities in the Escrow Fund in accordance with their terms (without consideration of any reinvestment of such maturing principal and interest) are sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of, redemption premium, if any, and interest due and to become due on the Refunded Bonds as described in Schedule C attached hereto. If the Escrow Securities and the Cash Deposit shall be insufficient to make such payments, the City shall timely deposit to the Escrow Fund, solely from legally available funds of the City, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule C hereto. Notice of any insufficiency shall be given by the Escrow Agent to the City as promptly as possible, but the Escrow Agent shall in no manner be responsible for the City's failure to make such deposits.

SECTION 7. ESCROW SECURITIES AND THE CASH DEPOSIT IN TRUST FOR HOLDERS OF REFUNDED BONDS. The deposit of the Escrow Securities and the Cash Deposit in the Escrow Fund shall constitute an irrevocable deposit of Defeasance Obligations (as defined in the Ordinance) and cash in trust solely for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule C hereto, and the principal of and interest earnings on such Escrow Securities and the Cash Deposit shall be used solely for such purpose.

SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND. The City hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the Ordinance, including the timely transfer of money to the Paying Agent for the Refunded Bonds (U.S. Bank National Association) as provided in the Ordinance, in order to effectuate this Agreement and to pay the Refunded Bonds in the amounts and at the times provided in Schedule C hereto. The Escrow Securities and the Cash Deposit shall be used to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds as the same may mature or be redeemed. If any payment date shall be a day on which either the Paying Agent for the Refunded Bonds or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent may make payment on the next business day. The liability of the Escrow Agent for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the Escrow Securities and the Cash Deposit and the interest earnings thereon available for such purposes in the Escrow Fund.

SECTION 9. REINVESTMENT OF MONEYS AND SECURITIES IN ESCROW FUND. Moneys deposited in the Escrow Fund shall be invested only in the Escrow Securities listed in Schedule B hereto and the Cash Deposit and, except as provided in Section 5 hereof and this Section 9, neither the City nor the Escrow Agent shall otherwise invest or reinvest any moneys in the Escrow Fund.

Except as provided in Section 5 hereof and in this Section 9, the Escrow Agent may not sell or otherwise dispose of any or all of the Escrow Securities or the Cash Deposit in the Escrow Fund and reinvest the proceeds thereof in other securities nor may it substitute securities for any of the Escrow Securities, except upon written direction of the City and where, prior to any such reinvestment or substitution, the Escrow Agent has received from the City the following:

(a) a written verification report by a firm of independent certified public accountants, of recognized standing, appointed by the City and acceptable to the Escrow Agent, to the effect that after such reinvestment or substitution the principal amount of Escrow Securities, together with the interest thereon, will be sufficient to pay the Refunded Bonds as described in Schedule C hereto (such verification shall not be necessary in the event the City shall determine to reinvest cash in Escrow Securities which mature on or before the next principal and/or interest payment date for the Refunded Bonds and which have a maturity amount which is at least equal to the cash amount invested in such Escrow Securities); and

(b) a written opinion of nationally recognized Bond Counsel to the effect that (i) such investment will not cause the Series 2020 Note or the Refunded Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, as amended, and the regulations promulgated thereunder or otherwise cause the interest on the Refunded Bonds or the Series 2020 Note to be included as gross income for purposes of federal income taxation, and (ii) such investment does not violate any provision of Florida law or of the Ordinance.

In the event the above-referenced verification concludes that there are surplus moneys in the Escrow Fund, such surplus moneys shall be released to the City upon its written direction. The Escrow Fund shall continue in effect until the date upon which the Escrow Agent makes the final payment to the Registrar for the Refunded Bonds in an amount sufficient to pay the Refunded Bonds as described in Schedule C hereto, whereupon the Escrow Agent shall sell or redeem any Escrow Securities remaining in the Escrow Fund, and shall remit to the City the proceeds thereof, together with all other money, if any, then remaining in the Escrow Fund.

SECTION 10. REDEMPTION OF CERTAIN REFUNDED BONDS. The City hereby irrevocably instructs the Escrow Agent to direct, on behalf of the City, that the Registrar for the Refunded Bonds (U.S. Bank National Association), give at the appropriate times the notice or notices, if any, required by the Ordinance in connection with the redemption of the Refunded Bonds. Such notice(s) of redemption shall be given by the Registrar for such Refunded Bonds in accordance with the Ordinance. The Escrow Agent shall cause the Registrar to file such redemption notice with the Electronic Municipal Market Access within ten business days of it being so given. The Refunded Bonds shall be redeemed on July 1, 2023 at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the redemption date.

SECTION 11. DEFEASANCE NOTICE TO HOLDERS OF REFUNDED BONDS. Concurrently with the deposit of the Escrow Securities set forth in Section 5 hereof, the Refunded Bonds shall be deemed to have been paid and discharged within the meaning and with the effect expressed in Section 8.01 of the Ordinance. Within 10 business days of the deposit of moneys into the Escrow Fund, the Escrow Agent, on behalf of the City, shall mail, or cause the Registrar for the Refunded Bonds (U.S. Bank National Association) to mail, to the owners of the Refunded Bonds the notice in the form provided in Schedules D attached hereto. The Escrow Agent shall file such defeasance notice with the Electronic Municipal Market Access within ten business days of the date hereof.

SECTION 12. ESCROW FUND IRREVOCABLE. The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on the Escrow Securities and Cash Deposit which are deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Ordinance. Neither the City nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

SECTION 13. AMENDMENTS TO AGREEMENT. This Agreement is made for the benefit of the City and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent; provided, however, that the City and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized Bond Counsel with respect to compliance with this Section 13, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 13. The City Manager is authorized to enter into and to execute any amendments to this Agreement.

SECTION 14. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION. In consideration of the services rendered by the Escrow Agent under this Agreement, the City agrees to and shall pay to the Escrow Agent the fees and expenses as shall be agreed to in writing by the parties hereto. The Escrow Agent shall have no lien whatsoever upon any of the Escrow Securities in said Escrow Fund for the payment of such proper fees and expenses. The City further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or misconduct. Indemnification provided under this Section 14 shall survive the termination of this Agreement.

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 City. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the City or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the City of its intention.

The Escrow Agent and its successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance and disposition of the various moneys and funds described herein, the purchase, retention or payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement or any non-negligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the City and to holders of the Refunded Bonds to the extent of their respective damages for negligent or willful acts, omissions or errors of the Escrow Agent which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement.

SECTION 15. REPORTING REQUIREMENTS OF ESCROW AGENT. So long as the Escrow Fund is maintained under this Agreement, the Escrow Agent shall forward in writing to the City a statement in detail of the balance of the Escrow Securities held therein following payments made therefrom on each July 1 or January 1 of that year, whichever is applicable, and the income and maturities thereof, and withdrawals of money from the Escrow Fund, since the last statement furnished pursuant to this Section 15. Such statements shall be provided to the City as soon as practicable following the end of each month in which payments are made with respect to the Refunded Bonds.

The City acknowledges that to the extent the regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive individual confirmations of security transactions at no additional cost, as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law.

SECTION 16. RESIGNATION OR REMOVAL OF ESCROW AGENT. The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 30 days written notice to the City and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the City as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the City or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the City shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the City shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders. The City shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 16.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the City pursuant to the foregoing provisions of this Section 16 within 30 days after written notice of resignation of the Escrow Agent has been given to the City, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall remit to the City the prorated portion of prepaid fees not yet incurred or payable, less any termination fees and expenses at the time of discharge, and shall have no further liability hereunder and the City shall indemnify and hold harmless the Escrow Agent, to the extent allowed by law, from any such liability, including costs or expenses incurred by the Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any state (and authorized to transact trust business in Florida), and shall have at the time of appointment capital and surplus of not less than \$30,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the City an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the City execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the City be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 17. TERMINATION OF AGREEMENT. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the City.

SECTION 18. CONTROLLING LAW; VENUE. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida. Venue for any action or proceeding, in law or equity, shall be exclusively in Sarasota County, Florida and each party agrees to jurisdiction in the state and federal courts located in Sarasota County, Florida or, if there is no federal court located in Sarasota County, Florida, the federal court having jurisdiction over matters arising in Sarasota County, Florida.

SECTION 19. SEVERABILITY. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 20. 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 21. NOTICES. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

U.S. Bank National Association
500 West Cypress Creek Road, Suite 460
Fort Lauderdale, FL 33309
Attention: Global Corporate Trust

City of North Port, Florida
4970 City Hall Boulevard
North Port, Florida 34286
Attention: City Manager

with a copy to:

City of North Port, Florida
4970 City Hall Boulevard
North Port, Florida 34286
Attention: City Attorney

SECTION 22. WAIVER OF JURY TRIAL. The City and the Escrow Agent hereby knowingly, voluntarily, intentionally, and irrevocably waive, to the fullest extent permitted by applicable law, the right either of them may have to a trial by jury in respect to any litigation, whether in contract or tort, at law or in equity, based hereon or arising out of, under or in connection with this Agreement, and any other document or instrument contemplated to be executed in conjunction with this Agreement, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party hereto. This provision is a material inducement for the City entering into this Agreement. Further, the City hereby certifies that no representative or agent of the City, nor the City's counsel, has represented, expressly or otherwise, that the City would not, in the event of such litigation, seek to enforce this waiver of right to jury trial provision.

SECTION 23. NON-DISCRIMINATION. The City does not discriminate on the basis of race, color, national origin, sex, age, disability, family or religious status in administration of its programs, activities, or services.

SECTION 24. AUTHORITY TO EXECUTE AGREEMENT. The signature by any person to this Agreement shall be deemed a personal warranty that the person has the full power and authority to bind any corporation, partnership, or any other business or governmental entity for which the person purports to act hereunder.

SECTION 25. ASSIGNMENT. This Agreement may not be assigned except by mutual agreement of the parties.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and appointed officials and attested as of the date first written herein.

CITY OF NORTH PORT, FLORIDA

Peter D. Lear, CPA, CGMA
City Manager

ATTEST:

Heather Taylor, CMC
City Clerk

Approved as to form and correctness

Amber L. Slayton
City Attorney

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

By: _____
Authorized Signatory

SCHEDULE A

DESCRIPTION OF THE REFUNDED BONDS

Maturity (July 1)	Principal Amount	Interest Rate
2024	\$ 1,240,000	5.000%
2025	1,305,000	5.000
2026	1,370,000	5.000
2027	1,440,000	4.000
2028	1,495,000	4.125
2029	1,555,000	5.000
2030	1,635,000	5.000
2031	1,715,000	5.000
2032	1,800,000	4.500
2033	1,885,000	4.500
2039*	13,390,000	5.000

*Term Bonds

SCHEDULE B

ESCROW SECURITIES*

Type	Maturity Date	Par Amount	Interest Rate
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DEBT SERVICE REQUIREMENTS FOR REFUNDED BONDS

Date	Interest	Principal Redeemed	Total
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FORM OF NOTICE OF DEFEASANCE

Notice is hereby given pursuant to Ordinance No. 2013-15, adopted on July 22, 2013, as amended and supplemented (collectively, the "Ordinance"), that the outstanding City of North Port, Florida Transportation Improvement Assessment Bonds, Series 2013 identified below (the "Refunded Bonds") are deemed to be paid within the meaning of the Ordinance and shall no longer be outstanding under or secured by the Ordinance and the liens created thereby for the benefit of the holders of the Refunded Bonds and shall be secured solely from the irrevocable deposit of U.S. Treasury obligations and cash made by the City of North Port, Florida (the "City") with U.S. Bank National Association, as Escrow Agent pursuant to the Escrow Deposit Agreement dated as of May ____, 2020, between the City and the Escrow Agent, in accordance with Section 8.01 of the Ordinance. The Refunded Bonds shall be redeemed on July 1, 2023, at the offices of the Registrar for such Refunded Bonds (U.S. Bank National Association) at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the redemption date.

**City of North Port, Florida
Transportation Improvement Assessment Bonds, Series 2013**

Maturity (July 1)	Principal Amount	Interest Rate	CUSIP**
2024	\$ 1,240,000	5.000%	66171PAL2
2025	1,305,000	5.000	66171PAM0
2026	1,370,000	5.000	66171PAN8
2027	1,440,000	4.000	66171PAP3
2028	1,495,000	4.125	66171PAQ1
2029	1,555,000	5.000	66171PAR9
2030	1,635,000	5.000	66171PAS7
2031	1,715,000	5.000	66171PAT5
2032	1,800,000	4.500	66171PAU2
2033	1,885,000	4.500	66171PAV0
2039*	13,390,000	5.000	66171PAW8

* Term Bonds

** No representation is made as to the correctness of these CUSIP numbers either as printed on the Bonds or as contained in this Notice.

Dated: _____

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent