

RESOLUTION

A RESOLUTION OF THE HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, PROVIDING FOR THE ISSUANCE OF ITS INDUSTRIAL DEVELOPMENT REVENUE BONDS (CANARIIS CORPORATION PROJECT), IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,000,000 TO FINANCE A PORTION OF THE COST OF THE CONSTRUCTION OF A MANUFACTURING FACILITY; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; PROVIDING FOR THE PAYMENT THEREOF; AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AND LOAN AGREEMENT RELATING THERETO; FIXING THE DATE, MATURITIES AND METHOD OF INTEREST RATE CALCULATION FOR THE BONDS; PROVIDING FOR THE NEGOTIATED PRIVATE PLACEMENT OF THE BONDS WITH WELLS FARGO BANK, NATIONAL ASSOCIATION; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS; PROVIDING FOR CONFLICTS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 159, Parts II and III, Florida Statutes, as amended (the "Act").

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared as follows:

A. The Hillsborough County Industrial Development Authority (the "Authority") is authorized by the Act to provide for the issuance of and to issue and sell its industrial development revenue bonds for the purpose of financing or refinancing all or any part of the "cost" of any "project," including any project for a "project" and a "manufacturing facility" (as such terms are defined or used in the Act), in order to promote and foster the economic growth and development of Hillsborough County (the "County") and of the State of Florida (the "State"), to improve living conditions, to promote the advancement of education, to enhance and expand industry and other economic activity in the County and the State, to increase purchasing power and opportunities for gainful employment and to advance and improve the prosperity and the welfare of the State and its inhabitants, to foster the industrial and business development of the County and the State, and to otherwise provide for and contribute to the health, safety and welfare of the people of the County and the State.

B. The Authority, by resolution dated December 1, 2016, approved the execution of a Memorandum of Agreement with the St. Johns Family Limited Partnership LLLP (the "Borrower"), whereby the Authority initially approved the issuance of its Industrial Development Revenue Bonds (Canariis Corporation Project), in one or more series (the "Bonds"), in the amount not to exceed \$3,000,000 to loan the proceeds of such bonds to the Borrower for the purpose of financing a portion of the cost of the construction on the Project Site of an approximate 30,625 square foot addition to a manufacturing facility for the manufacture of packaged plumbing systems for domestic water and municipal and variable speed HVAC applications on land in Hillsborough County, at 7905 Eagle Palm Drive, Riverview, Florida (the "Project").

C. The Borrower has now advised the Authority that a commitment to purchase the Bonds has been received from Wells Fargo Bank, National Association (the "Purchaser") and the Purchaser will purchase the Bonds for its own account.

D. The Purchaser will certify to the Authority that based upon its knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the investment in the Bonds and can bear the economic risk of its investment in the Bonds having concluded an investigation, to the extent deemed necessary by the Purchaser into matters relating to the business affairs of the Borrower and is not relying upon the Authority for any such purpose in its purchase of the Bonds.

E. The principal of and interest on the Bonds and all payments required under the documents relating thereto shall be payable solely from the proceeds derived by the Authority from moneys received pursuant to a Bond Purchase and Loan Agreement (the "Loan Agreement"), by and between the Authority, the Purchaser and the Borrower. The Authority shall never be required to (i) pay the principal of a premium, if any, and interest on the Bonds or to make any other payments relating to the Bonds or the Project other than from funds provided for under the Loan Agreement, or (ii) pay the same from any funds of the Authority other than those derived by the Authority under the Loan Agreement; and such Bonds shall not constitute a lien upon any property owned by or situated within the territorial limits of the Authority except the Project. The Authority has no taxing power.

F. A public hearing with respect to the Bonds was held by the General Counsel of the Authority as the hearing officer on December 8, 2016. At the hearing, an opportunity for comments from the public on the issuance of the Bonds and the financing of and nature and location of the Project was provided. Reasonable public notice of such hearing was published in a newspaper of general circulation available to residents of Hillsborough County, Florida.

SECTION 3. FINANCING OF THE PROJECT AUTHORIZED. The financing of the cost of the Project in the manner provided in the Loan Agreement is hereby authorized.

SECTION 4. AUTHORIZATION OF BONDS. For the purposes of financing the principal amount of the Bonds, obligations of the Authority to be known as "Industrial

Development Revenue Bonds (Canariis Corporation Project)," is hereby authorized to be issued in the aggregate principal amount of not exceeding THREE MILLION DOLLARS (\$3,000,000), in the form and manner described in the Loan Agreement. The Bonds will be dated such date and mature in such years and amounts, will contain such redemption provisions, and will bear interest at such rates which initially is a variable rate (not exceeding the maximum interest rate permitted by the Act or by other applicable provision of law), as provided in the Loan Agreement.

SECTION 5. AUTHORIZATION OF EXECUTION AND DELIVERY OF LOAN AGREEMENT. The Loan Agreement, in substantially the form as Exhibit A attached hereto, with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman and the Secretary or Assistant Secretary of the Authority, such approval to be presumed by their execution thereof, is hereby approved by the Authority, and the Authority hereby authorizes and directs the Chairman or the Vice Chairman to execute, and the Secretary or Assistant Secretary to attest under the seal of the Authority, the Loan Agreement and to deliver to the Borrower, the Loan Agreement, all of the provisions of which, when executed and delivered by the Authority as authorized herein and by both the Borrower and the Purchaser duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

SECTION 6. AUTHORIZATION OF EXECUTION OF TAX AGREEMENT AND FILINGS UNDER THE CODE. The Authority hereby authorizes and directs any one or more of the Chairman, Vice Chairman and the Secretary of the Authority, being the persons hereby charged with the responsibility for issuing the Bonds, either alone or jointly, at the expense of the Borrower (1) to execute and deliver to the Borrower and the Trustee an agreement or certification required by Sections 1.103-13, 1.103-14 and 1.103-15 of the Regulations (relating to "arbitrage") promulgated under Section 148 of the Code, (2) to execute and file with the Internal Revenue Service Internal Revenue Service Form 8038, as required by Section 149(e) of the Code, and (3) to execute and make all such other certifications and filings as may be required under Section 103 of the Code; such certifications and other filings, when executed and delivered by the Authority as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if set forth verbatim herein; such certifications may be relied upon as the certifications of the Authority.

SECTION 7. NEGOTIATED PLACEMENT NECESSARY. It is hereby found, ascertained, determined and declared by the Authority that a negotiated private placement of the Bonds is in the best interest of the Authority and is found to be necessary on the basis of the following reasons as to which specific findings are hereby made:

A. Industrial development revenue bonds are traditionally placed privately and consequently a competitive sale of the Bonds would in all probability not produce better terms than a negotiated sale; and

B. The Bonds are payable solely from the proceeds of the Loan Agreement and, therefore, the Authority does not have a direct financial interest in the terms of the placement.

SECTION 8. AWARD OF BONDS. The negotiated placement of the Bonds at a price equal to the principal amount thereof to the Purchaser is hereby authorized pursuant to Section 218.385, Florida Statutes, as amended.

SECTION 9. EXECUTION OF BONDS AND AUTHORIZATION OF ALL OTHER NECESSARY ACTION. The officers of the Authority are hereby authorized and directed to execute the Bonds, by manual or facsimile signature, when prepared and to deliver the same to the Trustee for authentication and delivery to the Purchaser of the Bonds upon payment of the purchase price therefor. The Chairman, Vice Chairman, Secretary, Assistant Secretary, and Bryant Miller Olive P.A., as the Authority's Bond Counsel, are designated agents of the Authority in connection with the issuance and delivery of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, opinions, documents or contracts on behalf of the Authority which are necessary or desirable in connection with the execution and delivery of the Bonds and with the terms of the Indenture, and which are not inconsistent with the terms and provisions of this Resolution and other actions relating to the Bonds heretofore taken by the Authority.

SECTION 10. NO PERSONAL LIABILITY. No covenant, stipulation, obligation or agreement herein contained or contained in the Loan Agreement, or any other document executed and delivered in connection with the issuance of the Bonds (together, hereinafter referred to as the "Bond Documents") shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, member, agent or employee of the Authority or its governing body in his individual capacity, and neither the members of the Authority, the Authority nor any official executing the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 11. NO THIRD PARTY BENEFICIARIES. Except as herein or in the Bond Documents otherwise expressly provided, nothing in this Resolution or in the Bond Documents, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Borrower, the Purchaser, the holders from time to time of the Bonds and the Trustee any right, remedy or claim, legal or equitable, under and by reason of this instrument or any provision thereof or of the Bond Documents. This Resolution and the Bond Documents intended to be for the sole and exclusive benefit of the Authority, the Purchaser, the Borrower, the Trustee, and the holders from time to time of the Bonds.

SECTION 12. PREREQUISITES PERFORMED. All acts, conditions and things relating to the passage of this Resolution, to the issuance of the Bonds, and to the execution of the Loan Agreement and the Indenture, required by the Constitution or laws of the State of Florida to happen, exist, and be performed precedent to and in the adoption hereof, and precedent to the issuance of the Bonds, and precedent to the execution and delivery of the Loan Agreement and the Indenture, have happened, exist and have been performed as so required.

SECTION 13. COMPLIANCE WITH CHAPTER 218, PART III, FLORIDA STATUTES. The Authority hereby approves and authorizes the completion, execution and filing with the Division of Bond Finance, Department of General Services of the State of Florida, at the expense of the Borrower, a volume cap allocation request, an advance notice of the impending sale of the Bonds, a Bond Information Form BF2003/BF2004 and a copy of Internal Revenue Service Form 8038, and any other acts as may be necessary to comply with Chapter 218, Part III, or Chapter 159, Florida Statutes, as amended.

SECTION 14. GENERAL AUTHORITY. The members of the Authority and its officers, attorneys, or other agents or employees are hereby authorized to do all acts and things required of them by this Resolution and the Bond Documents, or desirable or consistent with the requirements thereof, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bonds, the Bond Documents and this Resolution.

SECTION 15. THIS RESOLUTION CONSTITUTES A CONTRACT. The Authority covenants and agrees that this Resolution shall constitute a contract between the Authority and the owners from time to time of the Bonds, and that all covenants and agreements set forth herein and in the Bonds and the Loan Agreement, to be performed by the Authority shall be for the equal and ratable benefit and security of the owners from time to time of the Bonds, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds.

SECTION 16. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 17. REPEALING CLAUSE. All resolutions of the Authority or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

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SECTION 19. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this ____ day of January, 2017.

HILLSBOROUGH COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Kary Andrews, Chairman

ATTEST:

Its _____

EXHIBIT A
LOAN AGREEMENT